Bundle Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership 22 January 2019

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

MINUTES OF MEETING HELD TUESDAY 23 OCTOBER 2018
14:00 – 16:00
BOARDROOM, NWSSP HQ, NANTGARW
Part A

ATTENDANCE	DESIGNATION	
INDEPENDENT MEMBERS:		
Martin Veale (MV)	Chair & Independent Member	
Jane Hopkinson (JH)	Independent Member	
Ray Singh (RS)	Independent Member	
ATTENDANCE	DESIGNATION	ORGANISATION
ATTENDEES:		
Neil Frow (NF)	Managing Director	NWSSP
Andy Butler (AB)	Director of Finance & Corporate Services	NWSSP
Claire Bowden (CB)	Finance Manager	Velindre UNHST
Peter Stephenson (PS)	Head of Finance & Business Development	NWSSP
Simon Cookson (SC)	Director of Audit & Assurance	NWSSP
Sophie Corbett (SC1)	Audit Manager	NWSSP
James Quance (JQ)	Head of Internal Audit	NWSSP
Roxann Davies (RD)	Compliance Officer	NWSSP
Maria Newbold	PA	NWSSP
ATTENDANCE	DESIGNATION	ORGANISATION
IN ATTENDANCE:		
Iain Hardcastle (*In attendance for item 0.1*)	Head of IMTP Implementation and Development	NWSSP

Item		Action
0. PRESENTATIONS		
0.1	Update on Integrated Medium Term Plan (IMTP) IH gave a very informative presentation on the progress of the IMTP. IH highlighted the significant progress that had been made to date and summarised the journey going forward.	

Item		Action
1. STANDARD BUSINESS		2
1.1	**Welcome and Opening Remarks** The Chair welcomed everyone to the October Audit Committee meeting.	
1.2	**Apologies** Apologies of absence were received from:	

ATTENDANCE	DESIGNATION	ORGANISATION
Margaret Foster	Chair of NWSSP	NWSSP
Craig Greenstock	Local Counter Fraud Specialist	Cardiff & Vale UHB
Nigel Price	Local Counter Fraud Specialist	Cardiff & Vale UHB
Gillian Gillett	Audit Representative	Wales Audit Office
Anne Marie Harkin	Audit Representative	Wales Audit Office
Steve Ham	Chief Executive	Velindre UNHST
Mark Osland	Director of Finance	Velindre UNHST

Item		Action
1.3	**Declarations of Interest** None identified.	
1.4	**Unconfirmed Minutes from meeting held on 24 July 2018** The minutes of the meeting held on the 24 July 2018 were AGREED as a true and accurate record of the meeting.	
1.5	**Matters Arising from meeting held on 24 July 2018** An action remained in progress relating to updating the Counter Fraud Policy. AB advised that we were in the process of reviewing Velindre's Policy and adapting it for its applicability to NWSSP. AB confirmed that a revised version would be brought to a future Committee meeting.	RD/PS
2. COUNTER FRAUD		
2.1	**Counter Fraud Position Statement** AB presented the progress update as at 30 September 2018 and confirmed that 25 days of counter fraud work had been completed against the allocated days. It was noted that 4 pro-active fraud awareness sessions had been delivered and that there were 3 open cases, as detailed in the	

Item		Action
	report. The Counter Fraud Team have recently taken on Health Education and Improvement Wales (HEIW) following its launch on 1 October 2018.	
3. ASSURANCE, RISK AND GOVERNANCE		
3.1	**Risk Appetite Statement** PS presented the Risk Appetite Statement, which had been developed based on the Velindre and Good Governance Institute Models. It was presented to Senior Management Team (SMT) and Shared Services Partnership Committee (SSPC) in September, where it was approved. PS confirmed that work would take place to communicate risk assurance levels to staff in order to frame thinking and policy development, through engagement with directorates and it is essential to ensure consistency with the approach to risk management. JH enquired as to how the risk appetite levels were set and PS stated that they were developed following consultation with SMT. It was noted that research had been allocated as a medium level appetite and this incorporated the work that Surgical Materials Testing Laboratory (SMTL) undertake. NF stated that we must consider the organisations that we provide services to and their risk appetite for research, as tolerance levels vary across NHS Wales.	
3.2	**Corporate Risk Register – Peter Stephenson** PS presented the Corporate Risk Register and accompanying report. It was confirmed that the SMT review the Register for updates on a monthly basis and were discussed during the quarterly review process. It was noted that there were two red risks for action: 1. The demise of the Exeter software system, a long-standing risk where the preferred option remains working with Northern Ireland, however we were still awaiting figures; and 2. The risk surrounding the impact of Brexit for NHS Wales – this was covered as a separate agenda item in Part B. It was confirmed that whilst the HEIW transfer has been completed, the risk would remain on the Register, for monitoring.	

Item		Action
3.3	**Assurance Mapping** PS presented the Assurance Mapping exercise and confirmed that this was last presented to the Committee in November 2017 and would continue to be reviewed on an annual basis. It was acknowledged that NWSSP were ahead of other organisations in terms of recording this type of assurance. PS highlighted that each service area had been refreshed and that Workforce Education and Development Services (WEDS) had been removed following the transfer to Health Education and Improvement Wales (HEIW) and the Welsh Infected Blood Scheme (WIBS) added, as a new service. An overall assurance map has also been produced for NWSSP, mapped to its key corporate goals. The exercise found that WIBS governance arrangements need to be strengthened, as clarity is required from Welsh Government around expectations. Further work is still required in both HCS and Business Systems and Information to strengthen assurance arrangements. Performance monitoring systems also need to be improved across NWSSP as a whole, and work is on-going to address this. JQ noted that the assessment of assurance was helpful in identifying what level of controls were in place in order for Internal Audit to focus on the key risk issues. JH enquired as to **the extent of "required assurance"** and PS stated that it is the proportionality of the risk and the assurance provided around it, as its very subjective and most cases have a default position of a high level of detailed assurance. PS gave reassurance that the key risks were highlighted and that work would be undertaken to align the map with the risk appetite and Risk Register, where appropriate to do so. It was noted that the document was helping to influence change in the organisation as it highlights where we need to focus our efforts, along with development of the Board Assurance Framework, which has been shared with NHS Wales Board Secretaries.	
3.4	**Governance Matters** AB presented the Governance Matters report, which highlighted that 5 instances of contracting activity had been undertaken for NWSSP and 45 instances of contract activity on an All-Wales basis, during the period July to October 2018.	

Item		Action
	In relation to stores write-off figures, the Committee agreed that we would include an annual review of these to the Forward Plan. AB noted that figures are scrutinised on a monthly basis and if any significant anomaly should arise, then it would be brought to the **Committee's attention.**	RD
3.5	Minimisation of Obsolete Warehouse Stock AB introduced the report, prepared by the Deputy Director of Procurement, which set out the actions we have taken to reduce obsolete stock at Stores. It was noted that write-off figures were minimal, compared to amount of stock that was held on site. AB highlighted that at present there was a leak in the roof at Bridgend Stores and this poses a risk of damage to stock. The Chair confirmed that in relation to minimising the obsolete stock from stores, we must consider most ethically appropriate way to do so.	
3.6	Workforce Education & Development Services (WEDS) Legacy Report AB introduced the WEDS Legacy Report, which was prepared to provide robust assurances ahead of the transfer to Health Education and Improvement Wales (HEIW) on 1 October 2018. The report had been shared with the Senior Management Team and the Shared Services Partnership Committee (SSPC). Controls and processes were robust and we asked Internal Audit to review the arrangements in place over the last financial year. Following completion, they provided an opinion of substantial assurance. Paul Dalton of Internal Audit has been supporting the implementation of the HEIW Audit Plan. AB confirmed that the overall financial position indicated that we had handed over a financially strong service with a small surplus at the point of transfer. It was noted that we would work closely to ensure that the Welsh Government and HEIW accounts balance by the end of the financial year. AB noted that contracts had been extended until 2021, in order to provide flexibility and to review arrangements and that key performance indicators were strong. All performance reviews had been completed prior to transfer, together with statutory and mandatory training modules and a master Risk Register developed.	

Item		Action
3.7	**Tracking of Audit Recommendations** RD presented an update on the progress of implementation of audit recommendations and advised that the paper had been refreshed and streamlined. Historical data and trends relating to **recommendations would be included in the Committee's Annual** Report, going forward. It was reported that there were 204 recommendations raised, with 195 being implemented, seven not yet due, zero overdue and two requested extensions to deadlines for approval, relating to Central Team disaster recovery exercises being undertaken by 30 November 2018. The Committee was content with the progress made to date and approved the requested extensions.	
3.8	**Update from Benchmarking Exercise on Audit Committee Effectiveness** RD provided a verbal update on the benchmarking exercise she was in the process of undertaking in relation to improving Committee Effectiveness, of which work would continue and a report be brought to a future meeting. Findings to date included the following recommendations: • Offer the use of video conferencing and skype facilities; • Integration of lessons learned from Counter Fraud cases into Position Statement; • Inclusion of Committee development sessions; • Collaboration with Velindre regarding induction packages and succession planning; • Communications and engagement of Independent Members and staff; and • Invitations extended for Committee members to attend lunch and learn/service development updates.	RD
4. INTERNAL AUDIT		
4.1	**Internal Audit Position Statement** JQ presented the Position Statement and confirmed that Internal Audit had made good progress with the annual programme of work. It was noted that two final reports had been issued and two draft reports were in the process of being finalised, with three reports on the Committee agenda.	

Item		Action
4.2	**Health Courier Services Internal Audit Report** JQ presented the report and noted that the area achieved reasonable assurance, where it had previously been audited and received a limited assurance. The findings highlighted one high, three medium and three low priority recommendations for implementation. It was confirmed that Health and Safety reporting was improving with the escalation of issues, and that risk management has been assessed to ensure the correct processes were being followed.	
4.3	**BACS Bureau Internal Audit Report** SC1 presented the report and noted that this was an advisory piece of work. The scope of the audit had required a review of the current process to confirm key controls, consistency and assurance. The findings highlighted three medium and one low priority recommendation for implementation. AB stated that it would be beneficial to share this report with the STRAD Group, in order to provide assurance that the new system was working and that we were saving NHS Wales money by maintaining this process in-house.	AB
4.4	**GP Trainees Internal Audit Report** SC1 presented the report and noted that this was the final audit from the 2017-2018 Internal Audit programme, reviewed as NWSSP are the lead employer for GP Trainees in NHS Wales. The findings highlighted one high, one medium and three low priority recommendations for implementation. It was identified that sickness absence is a high priority with the failure to manage sickness where trigger markers have been reached.	
5. EXTERNAL AUDIT		
5.1	**Wales Audit Office Position Statement** The Chair noted that there was no representation from the Wales Audit Office at the meeting and communicated an update that had been received from Gillian Gillett, Audit Representative. The update reflected that WAO were in the process of agreeing their work programme for 2018-19 and there was unlikely to be	

Item		Action
	any significant changes. Following development of the programme, they intend to agree timescales with SMT and a paper would be brought to Committee in January 2019. AB noted that Andrew Strong would be conducting a review of the status of recommendations raised in the Nationally Hosted NHS IT Systems Report, during January 2019.	GG/AMH
ITEMS FOR INFORMATION		
6.1	Health and Care Standards Self-Assessment Action Plan The item was presented to the Committee, for information only.	
6.2	Audit Committee Forward Plan The item was presented to the Committee, for information only.	
ANY OTHER BUSINESS (Prior Approval Only)		
7.1	No items were raised for discussion.	
7.2	Meeting Review The feedback identified that the meeting room had seemed more spacious due to revised layout of tables, and that it was refreshing to change the order of the agenda and that this should be done more often.	RD
DATE OF NEXT MEETING: Tuesday, 22 January 2019 from 14:00-16:00 NWSSP Boardroom HQ, Charnwood Court, Nantgarw		

Actions arising from the meeting held on 24 July 2018			
4.2	CG	**Counter Fraud Self-Review Tool Submission** Review to be undertaken of the Velindre University NHS Trust Counter Fraud Policy.	Completed
Actions arising from the meeting held on 23 October 2018			
3.4	RD	**Governance Matters** To include an Annual Review of Stores Write-off Figures to the Forward Plan	Completed
4.3	AB	**BACS Bureau Internal Audit Report** To share the Report with the STRAD Group in order to provide assurance that the new system is working and highlighting value for money in NHS Wales through maintaining in-house process.	Completed
5.1	GG/AMH	**Wales Audit Office Position Statement** Programme of 2019 Audit Arrangements to be brought to Committee in January 2019.	Completed

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2019
AGENDA ITEM	2.1
PREPARED BY	Roxann Davies, Compliance Officer
PRESENTED BY	Andy Butler, Director of Finance and Corporate Services
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance and Corporate Services
TITLE OF REPORT	Governance Matters

PURPOSE

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

1. DEPARTURES FROM STANDING ORDERS

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

2. CONTRACTS FOR NWSSP

The table below summarises contracting activity undertaken during the period 10 July 2018 to 31 December 2018. A summary of activity for the period is set out in Appendix A.

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

3. NWSSP PROCUREMENT SERVICES ALL WALES CONTRACTING ACTIVITY

During the period 1 October 2018 to 31 December 2018, activity against 37 contracts have been completed. This includes 13 contracts at the briefing stage and 17 contracts at the ratification stage. In addition to this activity, extensions have been actioned against 7 contracts. A summary of activity for the period is set out in Appendix B.

4. STORES WRITE OFFS

The value of stores, at 31 December 2018, amounted to £2,596,381. For October – December 2018, a stock write off of £8,078 has been actioned for out of date stock. This equates to 0.31% of the total stock holding value in December.

Stock Type	Bridgend Stores £	Denbigh Stores £	Cwmbran Stores £
Stock Value	1,378,057	671,199	547,126
Out of Date Stock	7,677.13	247.85	152.88
Total	0.56%	0.04%	0.03%

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

5. GIFTS, HOSPITALITY & SPONSORSHIP

There have been 8 declarations made relating to gifts and hospitality and a further 4 declarations made relating to sponsorship, since the last Audit Committee meeting. A summary of declarations made is set out in Appendix C.

6. WELSH GOVERNMENT QUARTERLY UPDATE

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

7. RECOMMENDATIONS

The Committee is asked to NOTE the report.

Trust	Division	Procurement Ref No	Date	SFI Reference	Agreement Title/Description	Supplier	Anticipated Agreement Value (ex VAT)	Reason/Circumstance and Issue	Compliance Comment	Procurement Action Required
VEL	NWSSP-Business Systems & Informatics	NWSSP-SQA-437	26/10/2018	Single Quotation Action	Provision of Batteries to Mamhilad Data Centre to prevent uninterrupted Power Supply	Workspace Technology Ltd	£18,072.00	Compatibility with existing service	Endorsed – Additional requirement to existing service	No action required
VEL	NWSSP-Internal Audit & Assurance	NWSSP-ITT-39648	01/11/2018	Invitation to Tender	IM&T Internal Audit & Internal Audit Service South East & South West Wales	TIAA Ltd	£86,400.00	Open tender invitation, based on M.E.A.T	Compliant – 11 suppliers viewed the opportunity, 2 responses received	No action required
VEL	NWSSP-Corporate & Finance	NWSSP-MIN-39814	14/11/2018	Invitation to Tender	Provision of Welsh Courses on behalf of NHS Wales	Cymraeg I Oedolion Morgannwg (Lots 1 & 3) Coleg Cambria (Lots 2 & 4)	£76,260.00 £81,795.00	Mini Competition under the Welsh Government Welsh Language Training Framework	Compliant – 13 suppliers invited, 4 responses received	No action required

APPENDIX B - All Wales Contracting Activity In Progress (01/10/2018 – 31/12/2018)

No.	Contract Title	Doc Type	Total Value	MR approval <£750K	WG approval >£500k	NF approval £750-£1M	Chair Approval £1M+
1.	Wheelchair reconditioning - Wheelchair Reconditioning Service to the Artificial Limb and Appliance Service in South Wales, which is hosted by Cardiff and Vale University Health Board. Funding for the service is provided through the Welsh Health Specialised Services Committee (WHSSC).	briefing	£993,504	26/09/2018	n/a	n/a	n/a
2.	Natural Gas The contract is for the supply of natural gas for all NHS Wales premises encompassing both the Large Sites and Small Sites portfolios, split by site consumption of above/below 25,000 therms per annum	briefing	£135,594,780	28/09/2018	19/10/2018	n/a	n/a
3.	IV & Irrigation Solutions This contract is for all parenteral preparations of fluid and electrolyte imbalance also all irrigations solutions that are purchased by hospital pharmacy departments in Wales	briefing	£9,666,900	10/10/2018	30/10/2018	n/a	n/a
4.	Proprietary Drugs 1 Proprietary Drugs are branded lines that are protected by a patent which can be produced only by the patent owner. This tender will focus on these patented drugs, but may include some drugs which have recently lost their patent protection.	briefing	£65,700,681	08/10/2018	30/10/2018	n/a	n/a
5.	Hepatitis C Second Gen This contract is for the continued treatments of Hepatitis C (HCV). These antiviral medicines are designed to stop the virus from multiplying inside the body and prevent liver damage. The aim of the treatment is for the eradication of Hepatitis C virus (HCV).	briefing	£15,529,023	10/10/2018	30/10/2018	n/a	n/a
6.	Patient Monitoring Consumables The spend within this category has predominantly been covered by NHS Supply Chain (NHSSC) together with several purchasing agreements which individually cover the areas of Pulse Oximetry, Blood Pressure Cuffs and Patient Monitoring Consumables. It is the intention of Procurement Services to incorporate all of these product areas into a single All Wales agreement, which will support the rationalisation and standardisation of products across Wales.	briefing	£5,692,204	16/10/2018	29/10/2018	n/a	n/a
7.	Wheelchair seating and postural support to provide seating/cushions and postural supports for wheelchairs to the Artificial Limb and Appliance Service (ALAS) in North and South Wales, which is hosted by Cardiff and Vale University Health Board. Funding for the service is provided through Welsh Health Specialist Services Committee (WHSSC).	briefing	£3,474,744	07/11/2018	16/11/2018	n/a	n/a
8.	CVU - Stoma strength the consistency of service delivery across NHS Wales through a redesign of the service that delivers value to those providing stoma care services and for the people in Wales receiving the service.	briefing	£175,000,000	13/11/2018	sent to WG 13/11		
9.	AW Sterilisation & Decontamination consumables Decontamination and sterilisation of medical devices is increasing in complexity. The scope of this All Wales Framework will include those HSDU, Sterilisation and Endoscopy decontamination consumables which are required for delivering effective standard sterilisation and decontamination of equipment.	briefing	£15,000,000	26/11/2018	12/12/2018	n/a	n/a
10.	AB - General waste and recycling OJ38 a contract for the provision of the collection and disposal of general domestic waste from all ABUHB sites in South East Wales.	briefing	£1,250,000	04/12/2018	06/12/2018	n/a	n/a

11.	Biomass Fuel contract is for the supply of woodchip and wood pellet fuel biomass, which is used as a heating fuel at Health Board sites that currently have a requirement for this. The Health Boards that currently utilise the contract are Aneurin Bevan, Cwm Taf and Hywel Dda University Health Boards.	briefing	£1,455,444	07/12/2018	18/12/2018	n/a	n/a
12.	Intermittent Pneumatic Compression is a form of mechanical prophylaxis that is used to prevent or reduce deep vein thrombosis (DVT) in patients who are at risk. IPC involves the application of a sleeve consumable to the lower limbs or feet, with the sleeve being connected to an electrical pump. Pressure is then provided via the electrical pump to a patient's leg or foot in order to prevent blood from pooling.	briefing	£2,079,531	17/12/2018	sent to WG 17/12		
13.	CVU - Provision of neurosurgical & neuroradiology consumables contract will cover all consumables products which are utilised within the scope of neuroscience and neuro-radiology which are not covered within the All Wales Interventional Cardiology and Radiology Framework. There is some overlap with products such as neuro coils and catheters, so this framework will incorporate all the remaining products which do not feature on a current contract.	briefing	£12,646,686	21/12/2018	sent to WG 21/12		
14.	Fuel Oil The contract is for the supply of gas oil, heavy fuel oil, Kerosene, and Ultra Low Sulphur Diesel to NHS sites across Wales that require oil for stand by generators.	extension	£5,434,434	02/10/2018	original approval applies 19/10/15	02/10/2018	12/10/2018
15.	NPS - Patient Sandwiches Patient Sandwiches which previously consisted of multiple local agreements. A decision was made to directly award Lot 2 of the NPS Prepared Sandwiches framework for Patient Sandwiches to Real Wrap in early 2017, however contractual obligations with other suppliers and early delivery issues with Real Wrap via the new framework has resulted in health boards taking a gradual approach to utilising the framework	extension	£1,434,500	12/11/2018	N/A NPS CONTRACT	13/11/2018	19/11/2018
16.	Absorbents contract encompasses three main categories of surgical swabs, X-Ray detectable, Non-Woven and Gauze. Also included are dressing pads and a range of low value cotton wool products. Although simple in nature, these products are essential to patient care so the contract must account for high-quality products to mitigate any risks to patients.	extension	£4,118,994	13/11/2018	original approval applies 13/12/14	22/11/2018	26/11/2018
17.	Antibiotic sensitivity discs and pre-prepared media This contract is for the supply of antibiotic sensitivity testing discs and pre-prepared media to all clinical Microbiology/FW&E (Food Water, and Environmental Services) laboratories within Wales. The contracted products are one of the main high volume usage consumables within microbiology laboratories; these items are specialist with a limited number of suppliers able to support a sole award contract.	extension	£3,520,000	04/12/2018	original approval applies 27/06/17	05/12/2018	13/12/2018
18.	General Waste contract for the collection and disposal of both general ("black bag") waste and mixed/segregated recycling from sites operated by Abertawe Bro Morgannwg UHB, Cwm Taf UHB and Velindre NHS Trust (including several hosted organisations such as Welsh Blood Service).	extension	£4,843,902	24/12/2018	original approval applies 13/1/14	sent to NF 31/12	
19.	Vascular Access Devices The All Wales Vascular Access Devices contract has long been established, spanning over 20 years. The original contract	extension	£2,065,189	24/12/2018	original approval	sent to NF 31/12	

	incorporated standard cannulas and IV needles. In 2016 the contract was expanded to include a number of specialist products including Peripheral Inserted Central Catheters (PICC), Midline Catheters, Central Venous Catheters (CVCs), Intraosseous Needles, and Port Access Devices and Needles. Usage of PICCs Midlines and CVCs is increasing, with a variety of these products now being used widely across NHS Wales since the start of the contract					applies 01/6/16	
20.	IMATINIB is licensed for two main treatments, chronic myeloid leukaemia (CML) and gastro-intestinal stromal tumours (GIST). The LoE is only on the CML indication, GIST is subject to a second medical use patent until 2021. 32% of prescribing is for GIST, with the remaining 68% used for the treatment of CML. The CML usage has been open to generic competition since 21st December 2016.	extension	£1,455,315	24/12/2018	original approval applies 24/1/17	sent to NF 31/12	
21.	Orthotics Consumables The Orthotic Consumables contract covers a range of stock orthotics such as braces, splints, collars, footwear and lumbar supports, which are used across a number of clinical areas including diabetes, stroke, elderly medicine, neurology, rheumatology, sports injury and paediatrics.	ratification	£3,154,563	04/10/2018	05/11/2018	05/11/2018	07/11/2018
22.	HDDA - Children's Continuing Care Packages The provision of commissioned care to children with continuing care needs aged 0-18 year's old living in the Hywel Dda health community.	ratification	£2,400,000	05/10/2018	09/11/2018	trust gov applies	trust gov applies
23.	AB - CAV Maternity development of Royal Gwent Hospital Maternity Delivery Suite (B4) and Children's Assessment Unit, includes the creation of 3 labour rooms at the Royal Gwent Hospital, and conversion of 6 outpatient rooms to clinical rooms within the Children's assessment unit to provide additional capacity.	ratification	£493,712	05/10/2018	11/10/2018	trust gov applies	trust gov applies
24.	Respiratory Therapy & Accessories The contract allows the users to purchase their CPAP Devices, replacement parts, Masks, CPAP Bonnets accessories through a compliant All Wales contract	ratification	£8,717,277	17/10/2018	05/11/2018	05/11/2018	07/11/2018
25.	Provision of SEW IMCA IMCA is a statutory service which LHBs have a duty to make available. Under the Mental Capacity Act and associated Welsh Regulations, the IMCA service must be provided by people who are independent of the decision-maker.	ratification	£1,104,525	19/10/2018	23/11/2018	26/11/2018	26/11/2018
26.	AB Immunology Equipment & Services The Pathology Directorate provides a clinically led and comprehensive pathology service to both hospital clinicians and primary care. The service is provided throughout Gwent and South Powys, servicing a catchment population of approximately 600,000.	ratification	£1,880,840	19/10/2018	05/11/2018	trust gov applies	trust gov applies
27.	Theatrewear The contract allows users to purchase various products used in Hospital Theatres such as Gowns, Facemasks and Caps.	ratification	£2,693,405	24/10/2018	05/11/2018	05/11/2018	07/11/2018
28.	NPS Frozen Plated Meals, Frozen Texture Modified Meals and Frozen Soup Call-Off Texture modified diets are a requirement for patients suffering with dysphagia; defined as a difficulty in chewing and/or swallowing food. Dysphagia is generally caused because of disease and may be caused by either a mechanical, neurological or psychological problem.	ratification	£525,710	GD 05/11/2018	N/A NPS CONTRACT	N/A	N/A
29.	VEL/PHW - Rapid Respiratory diagnostic service To provide a Rapid and accurate diagnosis of patients with respiratory conditions supporting patient flow and winter pressures throughout the Influenza Season.	ratification	£1,040,000	GD 05/11/2018	15/11/2018	19/11/2018	19/11/2018

	The Supply of a full comprehensive test (that includes key pathogens other than influenza), using minimum sample manipulation and a rapid result and often a differential diagnosis when the influenza test is negative.						
30.	Proton beam therapy To provide WHSSC with an additional assured facility which it can consider for the referral of appropriate adult patients for Proton Beam Therapy treatment.	ratification	£700,000	14/11/2018	05/12/2018	n/a	n/a
31.	Adalimumab is a Tumour Necrosis Factor Alpha (TNFα) Inhibitor; it is an anti-inflammatory and approved for the treatment of moderate to severe rheumatoid arthritis, active and progressive psoriatic arthritis, severe active ankylosing spondylitis, Crohn's disease, ulcerative colitis, hidradenitis suppurativa and uveitis.	ratification	£5,555,523	15/11/2018	23/11/2018	26/11/2018	26/11/2018
32.	CVU - Renal services is to provide an uplift in facilities, the specialist dialysis related equipment such as the dialysis machines, dialysis chairs etc and services for the existing four locations plus an additional fifth site in Mold	ratification	£33,978,972	13/12/2018	19/12/2018	trust gov applies	trust gov applies
33.	Provision of facilities management services The provision of soft facilities services including general office cleaning, manned security services and window cleaning services	ratification	£3,026,819	17/12/2018	sent to WG 17/12		
34.	ABMU - ReFIT energy performance contract used the Re-fit Cymru Welsh Government's programme to procure a Service Provider, to work with the HB to develop Investment Grade Proposals, identifying energy efficiency/conservations measures and associated monitoring and verification for all premises. The aim is to implement energy-efficiency and local energy-generation measures to the HB's buildings.	ratification	£13,000,000	17/12/2018	sent to WG 17/12		
35.	NWIS - AW Catering information system To provide a single catering IT solution for NHS Wales to replace the current myriad of methods (manual, spreadsheet and/or IT systems) used to manage the Catering Service (patients and in-house operated commercial outlets).	ratification	£2,543,854	24/12/2018	sent to WG 31/12		
36.	CT - Digitisation of Medical Records and Electronic Digital Record Management System The primary objective of the contract is to digitise patient records in line with the Welsh Government agenda of a digitised patient record by 2018 and to adopt an Electronic Records Management System to store and create digital images	ratification	£3,149,091	sent to MR 21/12			
37.	BCU - Security Services Provision of Security guarding _services across the Health Board's three District General Hospital sites. The requirement will be split into two modules, one to guard the Health Boards' Estates and a separate module for security of Patients, Staff & Visitors at the Hospital sites.	ratification	£628,792	24/12/2018	sent to WG 31/12		

APPENDIX C – GIFTS, HOSPITALITY AND SPONSORSHIP DECLARATIONS

Position	Type	Date of Event	Source	Description	Estimated Value	Status, Date, Approval
Hospitality Declarations						
Salary Sacrifice Manager	Hospitality	27.09.2018	NHS Fleet Solutions	NHS Fleet Solutions meetings with team in Newcastle	£180	Accepted 31.07.2018 A Butler
Salary Sacrifice Co-ordinator	Hospitality	27.09.2018	NHS Fleet Solutions	NHS Fleet Solutions meetings with team in Newcastle	£180	Accepted 31.07.2018 A Butler
Managing Director	Hospitality	29.11.2018	Luxatia International	3rd FUTURE Workplaces Summit in Barcelona	£180	Declined 15.10.2018 A Butler
Managing Director	Hospitality	08.11.2018	Government Opportunities (GO) Excellence in Public Procurement Awards Wales	Conference and Dinner	£50	Accepted 02.11.2018 A Butler
Director of Procurement Services	Hospitality	06.12.2018	Healthcare Financial Management Association	HFMA Gala Dinner and Awards Ceremony	£50	Accepted 02.12.2018 N Frow
Director of Finance Academy	Hospitality	10.11.2018	Cardiff University	Wales vs Australia Rugby Match and light refreshment	£110	Accepted 05.11.2018 A Butler
Director of Finance Academy	Hospitality	11.10.2018	ACCA Wales	ACCA new members event hosted by ACCA at Cardiff Hilton	£50	Accepted 03.10.2018 A Butler
Director of Finance Academy	Hospitality	29.11.2018	ACCA Wales	ACCA Wales Annual Dinner (as part of Conference)	£50	Declined 20.11.2018 A Butler
Sponsorship Declarations						
Senior Performance Standards Engineer	Sponsorship	08.11.2018	Hoare Lea, ABB, Develop Training, Honeywell Control Systems, BOC Ltd/BOC Gas and Gear	Authorised Person's Seminar Sponsorship - NWSSP organised to provide an update on NWSSP Authorising Engineer provision and the opportunity to network with colleagues undertaking similar roles in different locations throughout Wales	£250 + VAT per sponsor = £1250 + VAT	Accepted 26.10.2018 A Butler
Senior Performance Standards Engineer	Sponsorship	08.11.2018	Camfil Ltd	Authorised Person's Seminar Sponsorship - NWSSP organised to provide an update on NWSSP Authorising Engineer provision and the opportunity to network with colleagues undertaking similar roles in different locations throughout Wales	£250 + VAT	Accepted 14.11.2018 N Frow

Decontamination Engineer	Sponsorship	20.11.2018	Serchem Ltd, LTE Scientific, Dekomed Ltd, Isopharm Ltd, Clinipak Ltd, Getine, MMM Medical Equipment UK Ltd, Felcon Ltd, O&M Halyard UK, BMM Weston Ltd	Sterile Services Decontamination Forum Wales	£160 + VAT per sponsor = £1600 + VAT	Accepted 19.11.2018 N Frow
Clinical Advisor: Value Based Health Care	Sponsorship	17.11.2018	Medtronic	Network meeting to explore how best to build a partnership with Senior NHS Commissioners and strategic leaders, understanding the landscape of value based healthcare with a view to building a future partnership to maximise the value brought to the NHS in Wales - sponsorship to take part in event and covering travel costs	£950	Accepted 12.10.2018 A Butler
Director of Finance Academy	Sponsorship	07.11.2018	ACCA & HTFT	Sponsorship for evening session of Celtic Nations Event in Principality Stadium hosted by Finance Academy for Directors of Finance and senior staff across NHS Wales, Scotland and Northern Ireland	£7,500	Accepted 25.10.2018 A Butler

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2019
AGENDA ITEM	2.2
PREPARED BY	Roxann Davies, Compliance Officer
PRESENTED BY	Roxann Davies, Compliance Officer
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance and Corporate Services
TITLE OF REPORT	Update on the Implementation of Audit Recommendations

PURPOSE

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

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

1. INTRODUCTION

NWSSP records audit recommendations raised by Internal Audit, Wales Audit Office and other external bodies, as appropriate. It is essential that stakeholder confidence is upheld and maintained; an important way in which to enhance assurance and confidence is to monitor and implement audit recommendations in an effective and efficient way. It is important to note that during 2018, the Audit Tracker achieved Substantial Assurance, following an Internal Audit.

2. CURRENT POSITION

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

There are 25 reports covered in this review; 6 reports have achieved Substantial assurance; 12 reports have achieved Reasonable assurance,

O reports have been awarded Limited assurance or No Assurance; and 7 reports were generated with Assurance Not Applicable. The reports include 117 recommendations for action.

The following reports Assurance Not Applicable assurance ratings and on this basis, they are categorised as assurance not applicable:
- 2 Wales Audit Office Reports
- 3 Internal Audit Advisory Reports
- 1 SGS UK Ltd ISO14001 Audit Report
- 1 Information Commissioner's Office Training Audit Report

Table 1 - Summary of Audit Recommendations

Recommendations		Implemented	Not Yet Due	Revised Deadline	Overdue	Not NWSSP Action
Internal Audit	**76**	**73**	**3**	**0**	**0**	**0**
High	6	6	0	0	0	0
Medium	36	34	2	0	0	0
Low	27	26	1	0	0	0
Not Applicable	7	7	0	0	0	0
External Audit	**30**	**26**	**4**	**0**	**0**	**0**
High	1	1	0	0	0	0
Medium	29	25	4	0	0	0
Low	0	0	0	0	0	0
Not Applicable	0	0	0	0	0	0
Other Audit	**10**	**10**	**0**	**0**	**0**	**0**
High	0	0	0	0	0	0
Medium	0	0	0	0	0	0
Low	0	0	0	0	0	0
Not Applicable	10	10	0	0	0	0
TOTALS:	**116**	**109**	**7**	**0**	**0**	**0**

3. RECOMMENDATION

The Audit Committee are asked to:
- NOTE the report findings and progress made to date.

SUMMARY OF LATEST AUDIT REVIEWS BY SERVICE AREA

Internal Audit Reference	Reference	Directorate	Health Board/Trust	Report Title	Year	Assurance Rating	Recommendations	Implemented	Not Yet Due	Revised Deadline	Overdue	Not NWSSP Action
INTERNAL AUDIT REPORTS												
	CORP/16-17/1	Corporate Services	NWSSP	Risk Management	2016-17	Reasonable	4	4	0	0	0	0
NWSSP-1718-02	CORP/17-18/1	Corporate Services	NWSSP	Information Governance GDPR	2017-18	Substantial	2	2	0	0	0	0
NWSSP-1718-03	CORP/17-18/2	Corporate Services	NWSSP	Non-Medical Education Training Budget	2017-18	Substantial	3	3	0	0	0	0
NWSSP-1718-12	CORP/17/-18/3	Corporate Services	NWSSP	Audit Tracker Review	2017-18	Substantial	2	2	0	0	0	0
NWSSP-1718-16	CORP/17-18/4	Corporate Services	NWSSP	Corporate Governance	2017-18	Substantial	2	2	0	0	0	0
NWSSP-1718-06	CORP/17-18/5	Corporate Services	NWSSP	Surgical Materials Testing Laboratory (SMTL)	2017-18	Reasonable	3	3	0	0	0	0
NWSSP-1718-09	CORP/17-18/6	Corporate Services	NWSSP	Performance Management	2017-18	Reasonable	3	3	0	0	0	0
NWSSP-1819-02	CORP/17-18/6	Corporate Services	NWSSP	BACS Bureau Review	2018-19	Advisory Report	4	4	0	0	0	0
				TOTAL			23	23	0	0	0	0
	EMP/16-17/2	Employment Services	All Wales	TRAC System	2016-17	Reasonable	3	3	0	0	0	0
NWSSP-1718-10	EMP/17-18/1	Employment Services	All Wales	Payroll Services	2017-18	Reasonable	6	6	0	0	0	0
				TOTAL			9	9	0	0	0	0
NWSSP-1718-12	PCS/17-18/1	Primary Care Services	All Wales	Contractor Payments	2017-18	Substantial	1	0	1	0	0	0
				TOTAL			1	0	1	0	0	0
	PROC/16-17/3	Procurement Services	All Wales	Supplier Master File **Follow Up**	2016-17	Reasonable	2	2	0	0	0	0
	PROC/16-17/4	Procurement Services	Velindre/PHW	Local Procurement Team	2016-17	Reasonable	5	5	0	0	0	0
	PROC/16-17/5	Procurement Services	All Wales	Denbigh Stores	2016-17	Reasonable	7	7	0	0	0	0
NWSSP-1718-19	PROC/17-18/1	Procurement Services	ABMU	Carbon Reduction Commitment (CRC) Payment Review	2017-18	Advisory Report	5	5	0	0	0	0
NWSSP-1718-01	PROC/17-18/2	Procurement Services	All Wales	WAO Audit RKC Associates Lessons Learned by NWSSP	2017-18	Advisory Report	2	2	0	0	0	0
NWSSP-1718-11	PROC/17-18/3	Procurement Services	All Wales	Accounts Payable	2017-18	Reasonable	6	6	0	0	0	0
NWSSP-1819-01	PROC/18-19/1	Procurement Services	All Wales	Health Courier Services	2018-19	Reasonable	7	6	1	0	0	0
				TOTAL			34	33	1	0	0	0
	WORK/16-17/1	Workforce	All Wales	WfIS ESR OH Bi-Directional Interface	2016-17	Reasonable	4	4	0	0	0	0
NWSSP-1718-17	WORK/17-18/1	Workforce	All Wales	WfIS ESR / Occupational Health Bi-Directional Interface (Immunisations)	2017-18	Substantial	1	1	0	0	0	0
NWSSP-1718-04	WORK/18-19/1	Workforce	All Wales	GP Specialty Training Registrars	2018-19	Reasonable	4	3	1	0	0	0
				TOTAL			9	8	1	0	0	0
WALES AUDIT OFFICE EXTERNAL AUDIT REPORTS												
	WAO/16-17/1	All Services	All Wales	WAO Nationally Hosted NHS IT Systems Assurance Report	2017-18	Not Applicable	28	24	4	0	0	0
	WAO/16-17/2	All Services	All Wales	WAO Management Letter	2016-17	Not Applicable	3	3	0	0	0	0
				TOTAL			31	27	4	0	0	0
OTHER AUDIT REPORTS												
	ICO/17-18	Corporate Services	NWSSP	Information Commissioner's Office (ICO) Training Audit	2017-18	Not Applicable	10	10	0	0	0	0
	ISO14001/18-19	Corporate Services	NWSSP	SGS UK Ltd Audit of ISO14001 Environmental Management System	2018-19	Not Applicable	0	0	0	0	0	0
				TOTAL			10	10	0	0	0	0
				TOTAL RECS			117	110	7	0	0	0

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2019
AGENDA ITEM	3.2
PREPARED BY	Peter Stephenson, Head of Finance and Business Development
PRESENTED BY	Peter Stephenson, Head of Finance and Business Development
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance and Corporate Services
TITLE OF REPORT	NWSSP Corporate Risk Register – January 2019

PURPOSE

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

1. INTRODUCTION

The Corporate Register is presented at Appendix 1 for information.

2. RISKS FOR ACTION

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

Current Risk Rating	Jan 2019
Red Risk	2
Amber Risk	9
Yellow Risk	1
Green Risk	0
Total	12

2.1   Red-rated Risks

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

Joint work continues in relation to the transfer of the NHS Wales Patient Registration System on NHAIS to the Primary Care Registration Management (PCRM) system run by NHS Digital. This is now likely to take

place by the end of December 2019 at the earliest. Initial dialogue with Northern Ireland BSO has taken place and a follow up initial service discussion is taking place on 22nd January. It is planned that negotiated arrangements will be in place by the end of March for implementation and live running from October 2019. Initial costs suggest the replacement GMS system will exceed the current PCS revenue budget.

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

The risk to NWSSP of a no-deal Brexit relates primarily to the procurement services that we provide to NHS Wales. NWSSP is represented on the following groups to ensure that we both contribute to, and are aware of, the issues affecting NHS Wales in the event of a no-deal Brexit:

- Health & Social Services Brexit SRO Group;
- Health & Social Care Brexit Ministerial Stakeholder Advisory Forum; and
- Health & Social Care Contingency Group.

In addition, the Procurement function takes part in national work streams on Supply Chain EU Exit preparedness and continues to drive best practice in terms of the active monitoring of stock levels. A separate review by Deloitte on behalf of Welsh Government, will provide options for addressing supplies vulnerability in the event of a no deal Brexit.

2.2   Changes to Risk Profile

No further risks have been added to, or removed from, the Risk Register since the last meeting of the Committee in October. Four risks have however, been down-graded in terms of their current risk score. These relate to:

- A3 Security of NWSSP sites – findings from the security review were reported to the December SMT and demonstrate no major issues. Some recommendations for improvement were however made and the progress on action to address these will be appropriately monitored;
- A5 Reporting of Performance – a performance management framework has been drafted and will be implemented for the 2019/20 financial year;
- A7 Impact on Payroll – the pay award and arrears has been actioned and support provided to establish HEIW. There are still significant concerns in terms of the Bridgend transfer but this is the subject of a separate and specific risk; and

- A11 Business Continuity – significant work has been undertaken in recent months to improve and enhance business continuity processes. These have been separately tested and action cards are currently being produced for specific scenarios. Internal Audit are also undertaking a review of the progress to date.

3. RISKS FOR MONITORING

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

Current Risk Rating	January 2019
Red Risk	0
Amber Risk	1
Yellow Risk	3
Green Risk	1
Total	5

4. ASSESSMENT/GOVERNANCE & RISK ISSUES

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

5. RECOMMENDATION

The Audit Committee is asked to:

- NOTE the Corporate Risk Register.

Corporate Risk Register

Ref	Risk Summary	Inherent Risk			Existing Controls & Mitigations	Current Risk			Further Action Required	Progress	Trend since last review	Target & Date
		Likelihood	Impact	Total Score		Likelihood	Impact	Total Score				
Risks for Action												
A1	Risks associated with the demise of the Exeter system coming to an end in 2015, with no replacement system designed for NHS Wales. The contract in NHS England has been outsourced to Capita. **Escalated Directorate Risk**	4	5	20	Establishment of NHS Wales Steering Group. High level option appraisal undertaken. Mapping exercise completed with Capita and PCS subject matter experts to identify gaps between NHSE and NHSW.	4	5	20	Review proposal received from Northern Ireland in terms of legal, financial and operational implications. DH 31 Jan 2019	Joint work continues in relation to the transfer of the NHS Wales Patient Registration System on NHAIS to the Primary Care Registration Management (PCRM) system run by NHS Digital. This is now likely to take place by the end of December 2019 at the earliest. Initial dialogue with Northern Ireland BSO has taken place and a follow up initial service discussion is taking place on 22nd January. It is planned that negotiated arrangements will be in place by the end of March for implementation and live running from October 2019. Initial costs suggest the replacement GMS system will exceed the current PCS revenue budget **Risk Lead: Director of Primary Care Services**	➡️	31-Mar-19
A2	Threats to the supply of medical consumables, and potential employment issues, in the event of a no-deal Brexit. **Strategic Objective - Customers**	4	5	20	Regular discussions with UK and Welsh Governments Attend Ministerial Advisory Board Velindre Brexit Group	4	5	20	Deloitte undertaking review of stock items. (31 Jan 2019)	NWSSP is represented on a number of NHS Wales and Welsh Govt groups to ensure that we both contribute to, and are aware of, the issues affecting NHS Wales in the event of a no-deal Brexit. **Risk Lead: Director of Procurement Services**	➡️	31-Mar-19
A3	Disruption to services and threats to staff due to unauthorised access to NWSSP sites. **Strategic Objective - Staff**	5	4	20	Manned Security at Matrix CCTV Locked Gates installed at Matrix. Security Review Undertaken (reported Dec 18)	2	4	8	Review progress with findings from security review (PS 30/04/2019) On-going discussion with Landlord at Matrix (RD 31/01/2019)	Security Review undertaken and reported to SMT in Dec 2018. No major findings but all agreed actions will be fllowed up through audit tracker. Any high risk actions are due for completion by 30 April 2019 **Risk Lead; Director Specialist Estates Services/Director of Finance and Corporate Services**	⬇️	30-Apr-19
A4	NWSSP are unable to recruit and retain sufficient numbers and quality of staff for certain professional services (Procurement Services) resulting in a potential failure to meet desired performance targets and/or deliver service improvements. **Strategic Objective - Staff**	5	4	20	Staff Surveys & Exit Interviews Monitoring of turnover and sickness absence Workforce & OD Framework Work with Great With Talent to develop On-Boarder, Absence & Exit questionnaires (3, 6 and 12 months) Development of Clerical Bank Strengthened relationship with local universities Work-based degree opportunities in some professional services Use of Social Media Use of Recruitment Consultants Targeted Advertising - Trade Journals	4	3	12	Exit interviews to assess rationale for staff leaving employment - 31 Mar 2018 (HR) - on hold due to procurement tender exercise	Recruitment and retention remains a concern, particularly within professional posts primarily with the procurement services function. Recruitment has improved in other professional functions. Work is taking place with all services to have in pace agile recruitment and retention strategies to attempt to address these concerns, utilising available data and information. **Risk Lead: Director of Workforce and OD**	➡️	31-Jan-19
A5	NWSSP is unable to adequately demonstrate the value it is bringing to NHS Wales due to insufficiently developed reporting systems. **Strategic Objective - Value For Money**	4	4	16	Quarterly Performance Reports to Health Boards & Trusts Performance Reporting to SSPC & SMT SSPC Assurance reports Periodic Directorate Meetings with LHBs & Trusts Quarterly meetings with LHB and Trust Exec Teams Regular updates to Peer Groups (DOF's, DWODS, Board Secretaries) Customer Satisfaction Surveys Internal Audit Review (May 2018) Presentations from CEB Gartner (June 2018)	2	4	8	1. Introduce consistent approach in reporting and meetings for all directorates and all LHBs & Trusts (AB) 2. Review and refine performance framework (MR - 31 Dec 2018) 3. Work proactively to support NHS Wales in delivering the actions outlined within the NHS Wales Chief Executives National Improvement Programme (NIP)	1. Completed 2. Ongoing - draft framework produced and due to be implemented Apr 2019 3. Paper taken to All Wales Finance Directors meeting in 09/2017. **Risk Lead: Director of Finance & Corporate Services**	⬇️	30-Apr-19
A6	The transfer of responsibilities and staff in Bridgend from ABMU to CTUHB wef April 2019 will have significant implications for NWSSP processes and workloads. **Strategic Objective - Customers**	5	4	20	Standing item on SMT agenda Programme Director attends SMT periodically NWSSP on finance and governance workstreams	4	3	12	Respond to Programme Director with implications for NWSSP - AB/PS Complete Ensure representation on HR Workstream (GH) - Complete	NF has spoken with CEOs of both HBs and got agreement that NWSSP will be included in all relevant planning discussions. Transition Director attending January 2019 SMT. **Risk Lead: Director of Finance and Corporate Services**	➡️	31-Mar-19
A7	**NHS Wales A4C Pay Award and Priority Service Reconfiguration :** NWSSP integral to national pay negotiations and delivery of 2018 A4C Pay Award and payment of T&C arrears. Depending on progress of negotiations implementation is proposed for July/Aug 18 running in parallel with significant service change: - M&D Trainee Rotation - Establishment of HEIW - Payment of T&C Arrears - CTUHB/ABMUHB Transfer **Escalated Directorate Risk**	5	4	20	Draft framework in place	2	4	8	Liaise with IBM to ascertain whether bulk migration of Bridgend staff payroll data can be actioned (PT 31 Jan 2019)	Pay Award now agreed and paid In October with arrears in November. HEIW established from 1 October 2019. **Risk Lead: Assistant Director Employee Services**	⬇️	31-Mar-19
A8	NWSSP's lack of capacity to develop our services to deliver further efficiency savings and introduce innovative solutions for NHS Wales and the broader public sector. **Strategic Objective - Service Development**	4	4	16	IMTP Horizon scanning days with SMT and SSPC to develop services Established new Programme Management Office (PMO) IT Strategy Regular reporting to SMT and SSPC	3	3	9	1. Implementation of project management software (AB) 2. Invest in Robotic Process Automation (AB)	1. Procurement pilot project completed - currently being rolled out in NWSSP 2. RPA pilot in progress **Risk Lead: Director of Finance & Corporate Services**	➡️	31-Jan-19
A9	Risks arising from changes introduced by the Welsh Government to the NHS Bursary Scheme whereby students now have to commit to work in Wales for the two years following completion of their course in order to receive the full package of benefits. **Strategic Objective - Service Development**	4	4	16	Governance Group with four workstreams established to meet all aspects of this announcement.	3	3	9	Further work required to develop the repayment mechanism. (PT)	The new scheme has been successfully implemented, however, further work required to develop the repayment mechanism. Developing an UCAS style system for placing students into jobs. **Risk Lead: Director of Finance and Corporate Services**	➡️	31-Mar-19
A10	Lack of effective succession planning at a senior level will adversely impact the future and strategic direction of NWSSP due to the age profile of the SMT. **Strategic Objective - Staff**	4	3	12	Workforce & OD Framework On-going development of existing staff to ensure a ready supply of staff to meet the maturing organisation's needs. Leadership Development Programmes	3	3	9	1. Develop a plan which includes likely key dates for each of the affected services and which prioritises succession planning based on proximity of risk (HR) 31 Dec 18 2. NHS Wales Leadership Programme - identify key staff with potential for future development and encourage them to undertake the leadership programme - (HR) 31 Dec 18 3. National Succession Strategy for NHS Wales - participate in the work of the national group and identify high performing staff who may be eligible for consideration to support succession planning requirements - (HR) 31 Dec 18	Recent appointments of senior staff have helped to address this risk - risk to be reviewed again to check whether still requires reporting at this level. **Risk Lead: Director of Workforce and OD**	➡️	31-Mar-19
A11	Operational performance is adversely affected through the use of some out-of-date software systems, lack of consistent IT support across NHS Wales resulting in interoperability issues and the limited capacity of NWIS to meet the demand for IT development to develop our services. **Strategic Objective - Excellence**	4	5	20	Created a Business Systems and Informatics Department Service Level Agreement (SLA) in place with NWIS Significant additional capital funding obtained from Welsh Government in prior year for IT investment Development of draft IT strategy Quarterly Reporting of Performance to SMT	1	4	4	1. Finalise IT Strategy for NWSSP, to include an IT replacement strategy - complete 2. Consolidate Desktop support from one strategic partner - currently a mix of arrangements (NWIS & BCU) - 31 Mar 2019 (AB) 3.Finalise Cyber Security Action plan - complete 4. Develop an overarching Business Continuity plan for NWSSP incorporating operational, IT and building requirements and test the plan annually - complete	All actions on track and a consultant from the Wales Quality Centre is currently working with NWSSP to enhance BCP arrangements. 1. Completed 2. Ongoing 3. Completed 4. Completed - plan developed and tested in Sept. Internal audit of BCP arrangements currently being undertaken. **Risk Lead: Director of Finance & Corporate Services**	⬇️	31-Mar-19

Ref	Risk	L	I	Score	Controls	L	I	Score	Actions	Progress / Update	Trend	Date
A12	Failure to comply with Welsh Language requirements and capacity to meet the increased demand for Welsh translation services resulting from the implementation of the Welsh Language Standards leading to reputational damage for NWSSP. **Strategic Objective - Staff**	3	4	12	Welsh Language Officer appointed Staff required to populate Welsh language skillset in ESR Welsh Language Translator appointed WL awareness is included within the face to face corporate induction training day Accredited WL training in place at several NWSSP sites WL monitoring report submitted to SMT External comms - WIAP project ensuring all web information is bilingual, graphic design, public events, etc	2	4	8	1. Undertake a Cost/benefits analysis to justify further investment in Welsh Language capacity - complete 2.Bilingual interface of TRAC recruitment software to be fully bilingual - complete 3. Investigate the potential for introducing a WL hub to provide support with translation for NHS Wales - complete 4. Undertake Internal Audit review of progress against Welsh Language Standards - currently being scoped.	Regular updates to SMT and additional resource being recruited Jan 2019. Findings of internal audit review expected shortly. Meetings held with PHW in Dec 18 to explore joint recruitment. **Risk Lead: Director of Finance and Corporate Services**	→	**31-May-19**

| | | | | | | | | **Risks for Monitoring** | | | | | |

Ref	Risk	L	I	Score	Controls	L	I	Score	Actions	Progress / Update	Trend	Date
M1	1. The Learning@Wales server provided and supported by NWIS requires enhancements to ensure user capacity is aligned with forecasted usage and is fully supported and managed to ensure provision of service does not degrade further. Further enhancements are required to reporting capability as this is affecting the service provided and reputation of NWSSP. 2. The ESR e-learning server is currently provided by NWSSP, via a server located in Manchester. This server has little resilience and requires hosting within NWIS DMZ with a fully supported service management wrap. Over 70% of learning undertaken in NHSW at 07/2017 was via e-learning. There would be a significant impact on the compliance of the workforce if the server failed. **Escalated Directorate Risk**	4	4	16	Additional support provided from NWIS to schedule reports out of hours to minimise impact on server disruption. Significant cleansing and formatting of reports by DWS Team before they are forwarded to organisations to enable them to manage compliance. NWSSP IT function have enabled a temporary solution via the Manchester server.	2	4	8	1. Escalation with NWIS for resolution. 2. Provision of fully supported server, hosted in NWIS, DMZ required.	1. A part-solution is in place for reporting but the final reporting solution is still to be sourced. NWIS are making progress and a recent meeting has taken place where the specification and possible solutions have been discussed. NWIS need to go out to advert for a specialist to support this work and they have also submitted a request for a new server build for this project. A further update will be available at the end of June following the next meeting. 2. We are awaiting confirmation from NWIS on the timeline for the server move. The server is currently resilient and there is a meeting with NWIS on 13/6 where we hope to get clarification on a new migration timeline. **Risk Lead: Director of Workforce and OD**	↓	
M2	Reputational impact due to issues within the Accounts Payable (AP) team that have resulted in the delay in payment to suppliers in a number of Health Boards and Trusts leading to failure to achieve their Public Sector Payment Policy (PSPP) targets. **Escalated Directorate Risk**	4	4	16	Review of performance at regular meetings with LHBs and Trusts SMT review high level progress reports on regular basis Restructure of AP team to improve performance Action plan in place to address issues - has been subject to independent review Finance Academy has established P2P as a national project under the developing excellence initiative. Accounts payable helpdesk introduced	3	4	6	1. Complete implementation of action plan (RW) 2. Internal Audit to complete follow up review (SC) 3. The All Wales P2P group to provide regular updates on progress to the SMT (AB) 4. Appoint P2P Project Manager (AB)	1. Completed 2. Completed 3. Regular updates to Finance Directors and Committee 4. Completed Actions taken to date have resulted in improvement in PSPP performance not now considered a problem. **Risk Lead: Director of Procurement Services**	→	
M3	Failure to ensure compliance with GDPR requirements leading to a serious breach which damages the reputation of NWSSP **Strategic Objective - Service Development**	4	3	12	Information Governance Steering Group Information Governance Manager Caldicott Guardian Senior Information Risk Owner (SIRO) Training programme for staff CPIP Annual Self-Assessment and Report Information Asset Owners in each Directorate ICO Audits Information Governance Risk Register Health and Care Standards	2	3	6	1. Information Governance Work Plan to be formally approved (AB) 2. Review lessons learned from IG breaches (AB) 3. GDPR Action Plan 4. Internal Audit review to be undertaken in 2018/19	1. Completed - IG Work Plan approved by IG Steering Group. 2. Ongoing - Standard agenda item on IG Steering Group; presentations delivered by each directorate, in turn. NWSSP achieved a score of 96% in the latest Caldicott Principles into Practice assessment. **Risk Lead: Director of Finance & Corporate Services in conjunction with Service Heads**	→	
M4	The establishment of HEIW from October 2018 will cause significant disruption and uncertainty for NWSSP staff. **Strategic Objective - Staff**	5	4	20	Programme Board Regular presentation to SMT WEDS Legacy Statement produced	1	3	3	WEDS Legacy Statement to be produced for SSPC September meeting - Complete Review accuracy of suggested costs ahead of next Finance workstream - Complete	HEIW established 1 Oct 2018. Recognition now from WG that this will be a hugely expensive exercise. Concerns over impact on NWIS and whether our service from them will suffer as a result. **Risk Lead: Director of Finance and Corporate Services**	↓	
M5	The forecasting of the Risk Pool spend is complex. Any inaccuracies could have a major impact on NHS Wales' ability to achieve financial balance and could adversely impact the reputation of NWSSP. The change in the discount rate in February 2017 has increased the complexity of the calculations. **Escalated Directorate Risk**	4	4	16	Appointment of a dedicated Risk Pool Accountant Introduction of Business Partnering Arrangements On-going development of robust forecasting arrangements Regular reporting to SSPC and Directors of Finance Subject to WAO review.	2	3	6	1. Closer working with Health Boards, Welsh Government and Solicitors required to maintain a current and accurate view of the level of risk. 2. Development of a forecasting model to map the financial impact of the discount rate change over the next 3 years.	Both actions completed. NWSSP have developed a forecasting system which incorporates all the latest information about cases over £250k available from the Solicitors. This has been agreed with Welsh Government. A dialogue system is in place and forecasting is always on the LARS monthly Senior Team meeting, chaired by the Director and attended by Martin Riley and Legal & Risk Services' Senior Solicitors/Team Leaders. Finance Directors were updated on the latest position in 01/2018. Additional funding has now been provided by HM Treasury. **Risk Lead: Director of Finance & Corporate Services**	→	

Key to Impact and Likelihood Scores

		Impact				
		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Likelihood						
5	Almost Certain	5	10	15	20	25
4	Likely	4	8	12	16	20
3	Possible	3	6	9	12	15
2	Unlikely	2	4	6	8	10
1	Rare	1	2	3	4	5

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

Symbol	Meaning
✳	New Risk
↑	Escalated Risk
↓	Downgraded Risk
→	No Trend Change

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2019
AGENDA ITEM	2.4
PREPARED BY	Roxann Davies, Compliance Officer
PRESENTED BY	Peter Stephenson, Head of Finance & Business Development
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance & Corporate Services
TITLE OF REPORT	Annual Review of NHS Wales Shared Services Partnership Committee Standing Orders (SSPC SOs)

PURPOSE

To provide the Committee with an updated version of the SSPC Standing Orders, following an annual review to ensure they remain relevant and fit for purpose following recent developments.

1. INTRODUCTION

To ensure effective, robust and up to date governance arrangements are in place for the SSPC, the SOs are reviewed on an annual basis and were last updated and approved by the SSPC in November 2017. Minor amendments have been made to the document since its last publication date and a summary of the amendments proposed are presented at Appendix 1. The fully updated document is included within the main bundle of papers, for information only. In accordance with our local environmental sustainability commitments, A5 bounded hard copies will be provided upon request only.

2. GOVERNANCE AND ASSURANCE

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

Section 10.0.1 of the SSPC SOs state:

> "*These Shared Services SOs shall be reviewed annually by the SSPC, which shall report any proposed amendments to the Velindre Board for consideration. The requirement for review extends to all documents having the effect as if incorporated in Shared Services SOs, including the Equality **Impact Assessment.**"*

Section 9.0.3 of Welsh Government's Model Standing Orders for NHS bodies states:

> *"**Assurances in respect of the Shared Services shall primarily be** achieved by the reports of the Managing Director of Shared Services to the Shared Services Partnership Committee, and reported back by the Chief Executive (or their nominated representative). Where appropriate, and by exception, the Board may seek assurances direct from the Managing Director of Shared Services. The Director of Shared Services and the Shared Services Partnership Committee shall be under an obligation to comply with any internal or external **audit functions being undertaken by or on behalf of the LHB."***

3. RECOMMENDATION

The Committee are asked to receive the updated SSPC Standing Orders, for information only.

Summary of Amendments to SSPC SOs – January 2019

Page(s)	Amendment
Various	Formatting and page number amendments, as appropriate throughout document.
Various	To include reference to updated status of Velindre *University* NHS Trust.
Various	To include references to Health Education Improvement Wales (HEIW) as a newly formed Special Health Authority, removal of reference to Workforce Education Development Services (WEDS) and updated reference to eleven NHS bodies.
Various	Updating of job title to reflect current arrangements for governance lead to NWSSP Head of Finance and Business Improvement.
72, 73, 75	To include amendments to Schemes of Budgetary Delegation, such as limits for NWSSP Executives and Procurement Services limits for Regional Supply Manager, Warehouse Manager and Assistant Warehouse Manager; to include Welsh Infected Blood Support Services (WIBSS) limits; and removal of reference to Workforce Education Development Services (WEDS).
23, 77-82, 95-99	To include updated Terms of Reference for NWSSP Audit Committee, Welsh Risk Pool Committee and Evidence Based Procurement Board (EBPB); removal of reference to WEDS Advisory Group Terms of Reference.
15, 36, 38	To include amendments to voting rights as stated in Cabinet Secretary Directions dated 12 November 2018.
9	To include reference to a Healthier Wales.
40	To provide clarification on NWSSP requirement to produce an Annual Review.
47	Updating of reference to National Assembly for Wales Commission Audit and Risk Assurance Committee.
76	Revision of hyperlink for SSPC Framework documentation.
90	Revision from Cabinet Secretary to Minister for Health and Social Services
101	Updating reference of National Assembly Wales to Welsh Government.

STANDING ORDERS FOR THE OPERATION OF THE SHARED SERVICES
PARTNERSHIP COMMITTEE

This Annexe forms part of, and shall have effect as if incorporated in the
Velindre University NHS Trust Standing Orders

Standing Orders

Reservation and Delegation of Powers

For the

Shared Services Partnership Committee

Originally Introduced June 2015
(updated January 2019)

Foreword

These Model Standing Orders are issued by Welsh Ministers to Local Health Boards using powers of direction provided in section 12(3) of the National Health Services (Wales) Act 2006. Velindre University NHS Trust (Velindre) must agree Standing Orders (SOs) for the regulation of the Shared Services Partnership Committee's (the SSPC) proceedings and business. These SSPC SOs form an Annexe to Velindre's own SOs, and have effect as if incorporated within them. They are designed to translate the statutory requirements set out in the Velindre University NHS Trust Shared Services (Wales) Regulations 2012 (2012/1261

(W.156)) and Velindre's Standing Order 3 into day to day operating practice. Together with the adoption of a scheme of decisions reserved to the SSPC; a scheme of delegations to Shared Services officers and others; and in conjunction with Velindre University NHS Trust Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the SSPC.

These documents, together with the Shared Services Memorandum of Co-operation dated **[June 2012]** made between the seven HBs and three NHS Trusts in Wales that defines the obligations of the eleven NHS bodies (the Partners) to participate in the SSPC and to take collective responsibility for the delivery of the services, a Hosting Agreement dated **[June 2012]** between the Partners that provides for the terms on which Velindre will host the NHS Wales Shared Services Partnership (NWSSP) and the Interface Agreement between the Chief Executive of Velindre (as the Accountable Officer for the organisation) and the Managing Director of Shared Services (as the Accountable Officer for NHS Wales Shared Services Partnership) dated **[June 2012]** that defines the respective roles of the two Accountable Officers, form the basis upon which the SSPC governance and accountability framework is developed. Together with the adoption of a 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.

All SSPC members, NWSSP Shared Services staff and Velindre non-Shared Services staff must be made aware of these Standing Orders and, where appropriate, should be familiar with their detailed content. The Head of Finance and Business Improvement of the SSPC will be able to provide further advice and guidance on any aspect of the SOs or the wider governance arrangements for the SSPC. Further information on governance in the NHS in Wales may be accessed at: http://www.wales.nhs.uk/governance-emanual/standing-orders

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Statutory Framework

i)   Velindre University National Health Service Trust (Velindre) is a statutory body that came into existence on 1st December 1993 under the **Velindre National Health Service Trust (Establishment) Order 1993 (1993/2838)** (the Establishment Order).

ii)   The Velindre University NHS Trust Shared Services Partnership Committee (to be known as the SSPC for operational purposes) was established under the **Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 (2012/1261 (W.156))** (the Shared Services Regulations). The Shared Services Regulations define Shared Services at regulation 2 and the functions of the SSPC at regulation 4. The SSPC functions are subject to variations to those functions agreed from time to time by the SSPC. The SSPC is hosted by Velindre on behalf of each of the seven HBs and the three NHS Trusts (the Partners).

iii)   The principal place of business of the SSPC is:

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

iv)   All business shall be conducted in the name of the NHS Wales Shared Services Partnership on behalf of the Partners.

v)   Velindre is a corporate body and its functions must be carried out in accordance with its statutory powers and duties. Velindre's statutory powers and duties are mainly contained in the **NHS (Wales) Act 2006 (c.42)** which is the principal legislation relating to the NHS in Wales. Whilst the **NHS Act 2006 (c.41)** applies equivalent legislation to the NHS in England, it also contains some legislation that applies to both England and Wales. The NHS (Wales) Act 2006 and the NHS Act 2006 are a consolidation of the NHS Act 1977 and other health legislation which has now been repealed. The NHS (Wales) Act 2006 contains various powers of the Welsh Ministers to make subordinate legislation and details how NHS Trusts are governed and their functions.

vi)   **The National Health Service Trusts (Membership and Procedure) Regulations 1990 (1990/2024)**, as amended (the Membership

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Regulations) set out the membership and procedural arrangements of the Trust.

vii)   Sections 18 and 19 of Annexe 3 to the NHS (Wales) Act 2006 provide for Welsh Ministers to confer functions on NHS Trusts and to give Directions about how they exercise those functions. Trusts must act in accordance with those Directions. Velindre's statutory functions are set out in its Establishment Order but many functions are also contained in other legislation such as the NHS (Wales) Act 2006.

viii) However in some cases the relevant function may be contained in other legislation. In exercising its powers Velindre must be clear about the statutory basis for exercising such powers.

ix)   Under powers in paragraph 4(1)(f) of Annexe 3 to the NHS (Wales) Act 2006 the Minister has made the Shared Services Regulations which set out the constitution and membership arrangements of the Shared Services Committee. Certain provisions of the Membership Regulations will also apply to the operations of the SSPC, as appropriate.

x)   In addition to Directions the Welsh Ministers may from time to time issue guidance relating to the activities of the SSPC which the Partners must take into account when exercising any function.

xi)   Velindre shall issue an indemnity to the Shared Services Chair, on behalf of the Partners.

NHS Framework

xii)   In addition to the statutory requirements set out above, the SSPC, on behalf of each of the Partners, must carry out all its business in a manner that enables it to contribute fully to the achievement of the Minister's vision for the NHS in Wales and its standards for public service delivery. The governance standards set for the NHS in Wales are based upon the Assembly's Citizen Centred Governance principles. These principles provide the framework for good governance and embody the values and standards of behaviour that is expected at all levels of the service, locally and nationally.

xiii) Adoption of the principles will better equip the SSPC to take a balanced, holistic view of its work and its capacity to deliver high quality, safe healthcare services on behalf of all citizens in Wales within the NHS framework set nationally.

xiv)   The overarching NHS governance and accountability framework within which the SSPC must work incorporates Velindre's SOs; Annexes of

Powers reserved for the Board and Delegation to others and SFIs, together with a range of other frameworks designed to cover specific aspects. These include the NHS Values and Standards of Behaviour Framework; the *'Doing Well, Doing Better: Standards for Health Services in Wales' and 'a Healthier Wales'*, the NHS Risk and Assurance Framework, and the NHS planning and performance management systems.

xv)   The Assembly, reflecting its constitutional obligations, has stated that sustainable development should be the central organising principle for the public sector and a core objective for the restructured NHS in all it does.

xvi)   Full, up to date details of the other requirements that fall within the NHS framework – as well as further information on the Welsh Government's Citizen Centred Governance principles - are provided on the NHS Wales Governance e-manual which can be accessed at: http://www.wales.nhs.uk/governance-emanual/standing-orders

       Directions or guidance on specific aspects of Trusts' business are also issued in hard copy, usually under cover of a Ministerial letter.

Shared Services Partnership Committee Framework

xvii) The specific governance and accountability arrangements established for the SSPC are set out within the following documents (which is not an exhaustive list):

- these SSPC SOs and Annexe 1: Scheme of Powers reserved for the SSPC and Delegation to others;
- the Velindre University NHS Trust SFIs;
- a Memorandum of Co-operation that defines the obligations of the Partners to participate in the SSPC and to take collective responsibility for the delivery of the services defining the respective roles of the Partners;
- a Hosting Agreement between the Partners that provides for the terms on which Velindre will host the Shared Services;
- an Interface Agreement between the Chief Executive of Velindre (as the Accountable Officer for the organisation) and the Managing Director of Shared Services (as the Accountable Officer for Shared Services) that defines the respective roles of the two Accountable Officers; and
- an Accountability Agreement between the Chair of the SSPC and the Managing Director of Shared Services (as the Accountable Officer for the NHS Wales Shared Services Partnership).

xviii) Annexe 2 to these SOs provides details of the key documents that, together with these SOs, make up the SSPC's governance and

accountability framework. These documents must be read in conjunction with these Shared Services SOs.

xix)   The SSPC may from time to time, subject to the prior approval of Velindre's Board, agree operating procedures which apply to SSPC members and/or members of the Shared Services staff and others. The decisions to approve these operating procedures will be recorded in an appropriate SSPC minute and, where appropriate, will also be considered to be an integral part of these Shared Services SOs and SFIs. Details of the SSPC's key operating procedures are also included in Annexe 2 of these SOs.

Applying Shared Services Standing Orders

xx)   These Shared Services SOs (together with the Velindre University NHS Trust SFIs and other documents making up the governance and accountability framework) will, as far as they are applicable, also apply to meetings of any Sub-Committees established by the SSPC, including any Advisory Groups. These Shared Services SOs may be amended or adapted for the Sub-Committees or Advisory Groups as appropriate, with the approval of the SSPC.   Further details on Sub-Committees and Advisory Groups may be found in Annexes 3 and 4 of these Shared Services, respectively.

xxi)   Full details of any non compliance with these Shared Services SOs, including an explanation of the reasons and circumstances must be reported in the first instance to the Head of Finance and Business Improvement, who will ask the Velindre Audit Committee to formally consider the matter and make proposals to the SSPC on any action to be taken. All SSPC members and SSPC officers have a duty to report any non-compliance to the Head of Finance and Business Improvement as soon as they are aware of any circumstance that has not previously been reported. **Ultimately, failure to comply with Shared Services SOs is a disciplinary matter.**

Variation and amendment of Shared Services Standing Orders

xxii)   Although SOs are subject to regular, annual review there may, exceptionally, be an occasion where the SSPC determines that it is necessary to vary or amend the SOs during the year.   In these circumstances, the Chair of the SSPC, advised by the Head of Finance and Business Improvement, shall submit a formal report to the Velindre Board setting out the nature and rationale for the proposed variation or amendment. Such a decision may only be made if:

   ▪ Each of the SSPC members are in favour of the amendment; or

- In the event that agreement cannot be reached, the Velindre Board determine that the amendment should be approved.

Interpretation

xxiii) During any SSPC meeting where there is doubt as to the applicability or interpretation of the Shared Services SOs, the Chair of the Shared Services Committee shall have the final say, provided that his or her decision does not conflict with rights, liabilities or duties as prescribed by law. In doing so, the Chair should take appropriate advice from the Board Secretary Support function.

xxiv) The terms and provisions contained within these SOs aim to reflect those covered within all applicable health legislation. The legislation takes precedence over these Shared Services SOs when interpreting any term or provision covered by legislation.

Relationship with Velindre NHS Trust Standing Orders

xxv) These Shared Services SOs form an Annexe to Velindre's own SOs, and shall have effect as if incorporated within them.

The Role of the Board Secretary Support Function

xxvi) The role of the Board Secretary Support function is crucial to the ongoing development and maintenance of a strong governance framework within the SSPC, and is a key source of advice and support to the Chair and SSPC members. Independent of the SSPC, the Board Secretary support function will act as the guardian of good governance within the SSPC and shall ensure that the functions outlined below are delivered:
- providing advice to the SSPC as a whole and to individual Committee members on all aspects of governance;
- facilitating the effective conduct of SSPC business through meetings of the SSPC, its Sub-Committees and Advisory Groups;
- ensuring that SSPC members have the right information to enable them to make informed decisions and fulfil their responsibilities in accordance with the provisions of these SOs;
- ensuring that in all its dealings, the SSPC acts fairly, with integrity, and without prejudice or discrimination;
- contributing to the development of an organisational culture that embodies NHS values and standards of behaviour; and
- monitoring the SSPC's compliance with the law, Shared Services SOs and the framework set by Velindre and Welsh Ministers.

xxvii) As advisor to the SSPC, the Board Secretary Support function role does not affect the specific responsibilities of SSPC members for governing the

Committee's operations. The Board Secretary Support role is directly accountable for the conduct of their role to the Chair of the SSPC and reports to the Managing Director of NWSSP on a regular basis.

1. THE SHARED SERVICES PARTNERSHIP COMMITTEE

1.1 Purpose, Role, Responsibilities and Delegated Functions

1.1.1 The SSPC has been established for the purpose of exercising Velindre's functions in relation to Shared Services, including the setting of policy and strategy and the management and provision of Shared Services to HBs, Trusts and Special Health Authority in Wales.

1.1.2 The purpose of the SSPC is to:

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

1.1.3 The role of the Shared Services Committee is to:

- take into account NHS Wales organisations' plans and objectives when considering the strategy of Shared Services;
- encourage and support the aims and objectives of Shared Services;
- identify synergies between each of the Shared Services and ensure that future strategies incorporate synergistic opportunities;
- foster and encourage partnership working between all key stakeholders and staff;
- oversee the identification and sharing of financial benefits to NHS Wales' organisations on a fair basis that minimises administrative costs and financial transactional arrangements;
- seek to identify potential opportunities for further collaboration across the wider public sector;
- consider implications for Shared Services in relation to any reviews / reports undertaken by internal auditors, external auditors and regulators, including Healthcare Inspectorate Wales; and
- seek assurance, through the Managing Director of Shared Services on the adequacy and robustness of systems, processes, procedures and risk management, staffing issues and that risks and benefits are shared on an equitable basis in relation to Shared Services.

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1.1.4   The responsibilities of the SSPC are to:

- produce an Integrated Medium Term Plan, including the balanced Medium Term Financial Plan for agreement by the Committee following the publication of the individual HB, Trust and Special Health Authority Integrated Medium Term Plans;
- agree on an annual basis Service Improvement Plans (prepared by the Managing Director of Shared Services) for the delivery by services;
- be accountable for the development and agreement of policies and strategies in relation to Shared Services and for monitoring the performance and delivery of agreed targets for Shared Services through the Managing Director of Shared Services;
- take the lead in overseeing the effective and efficient use of the resources of Shared Services;
- benchmark the performance of Shared Services against the best in class;
- consider extended-scope opportunities for Shared Services;
- monitor compliance of best practice within Shared Services with NHS Wales recommended best practice;
- oversee the identification and delivery of "invest to save" opportunities; and
- explore future Shared Services organisational delivery models across the NHS and the broader public sector.
- embed NWSSP's strategic objectives and priorities through the conduct of its business and in so doing, and transacting its business shall ensure that adequate consideration has been given to the sustainable development principle and in meeting the requirements of the Well-Being of Future Generations (Wales) Act 2015, the Welsh Government Guidance on Ethical Procurement and the Code of Practice on Ethical Employment in Supply Chains.

1.1.5   The SSPC must ensure that all its activities are in exercise of these functions or any other functions that may be conferred on it. Each HB and Trust shall be bound by the decisions of the SSPC in the exercise of its roles. In the event that the SSPC is unable to reach unanimous agreement in relation to the funding levels to be provided by each HB, Trust and Special Health Authority, then this matter shall be escalated to the Welsh Government for resolution ultimately by Welsh Ministers.

1.1.6   To fulfil its functions, the SSPC shall lead and scrutinise the operations, functions and decision making of the Shared Services Senior Management Team (SMT) undertaken at the direction of the SSPC.

1.1.7 The SSPC shall work with all its Partners and stakeholders in the best interests of its population across Wales.

1.2 Membership of the SSPC

1.2.1 The membership of the SSPC shall be 12 voting members, comprising:

- the Chair (appointed by the SSPC in accordance with the Chair Selection Process at Annexe 5 to these SOs):
- the Chief Executives of each of the HBs, Trusts and Special Health Authority (or their nominated representatives); and
- the Managing Director of Shared Services who has been designated as the accountable officer for shared services.

1.2.2 *Vice Chair* – The SSPC shall appoint a Vice Chair from one of the Chief Executives (or their nominated representative) SSPC members. A Vice Chair cannot be appointed if the current Chair is employed by the same Partner organisation.

1.2.3 *Nominated Representatives* – Nominated deputies for Chief Executives should be an Executive Director of the same organisation and will formally contribute to the quorum and have delegated voting rights.

1.2.4 *Co-opted Members* – The SSPC may also co-opt additional independent 'external' members from outside NHS Wales to provide specialist skills, knowledge and expertise. Co-opted members will not be entitled to vote.

1.2.5 *Attendees* – The NWSSP Director of Finance and Corporate Services / Deputy Director for Shared Services, the NWSSP Director of Workforce & Organisational Development and the Department of Health, Social Services and Children Director of Finance (or nominated representative) may attend the SSPC meetings but will not be entitled to vote. Other NWSSP Service Directors / Heads of Service may only attend SSPC meetings as and when invited.

1.2.6 Use of the Term Independent Member - For the purposes of these Shared Services SOs, use of the term 'Independent Member' refers to the non-officer members of a HB or the independent members of a Trust, or Special Health Authority.

1.3 Member and Staff Responsibilities and Accountability

1.3.1 The SSPC will function as a decision-making body, all voting members being full and equal members and sharing corporate responsibility for all the decisions of the SSPC.

1.3.2 All members must comply with the terms of their appointment to the SSPC. They must equip themselves to fulfil the breadth of their responsibilities on the SSPC by participating in relevant personal and organisational development programmes, engaging fully in the activities of the SSPC and promoting understanding of its work.

The Chair

1.3.3 The Chair of the SSPC must act in a balanced manner, ensuring that any opinion expressed is impartial and based upon the best interests of the health service across Wales.

1.3.4 The Chair is responsible for the effective operation of the SSPC:

- chairing SSPC meetings;
- 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 Shared Services SOs; and
- developing positive and professional relationships amongst the SSPC's membership and between the SSPC and each HB, Trust and Special Health Authority's Board.

1.3.5 The Chair shall work in close harmony with the Chief Executives of each of the HB, Trust and Special Health Authority (or their nominated representatives) and, supported by the Head of Finance and Business Improvement, shall ensure that key and appropriate issues are discussed by the SSPC in a timely manner with all the necessary information and advice being made available to members to inform the debate and ultimate resolutions.

1.3.6 The Chair is accountable to the SSPC in relation to the delivery of the functions exercised by the SSPC on its behalf and, through Velindre's Chair, as the hosting organisation, for the conduct of business in accordance with the defined governance and operating framework.

The Vice Chair

1.3.7 The Vice Chair shall deputise for the Chair in their absence for any reason, and will do so until either the existing Chair resumes their duties or a new Chair is appointed.

1.3.8 The Vice Chair is accountable to the Chair for their performance as Vice Chair.

1.3.9 **Managing Director of Shared Services** – The Managing Director of Shared Services, as head of the Senior Management Team reports to the Chair and is responsible for the overall performance of Shared Services. The Managing Director of Shared Services is the designated Accountable Officer for Shared Services (see 1.3.11 below). The Managing Director of Shared Services is accountable to the SSPC in relation to those functions delegated to them by the SSPC. The Managing Director of Shared Services is also accountable to the Chief Executive of Velindre University NHS Trust in respect of the hosting arrangements supporting the operation of Shared Services.

1.3.10 **Chief Executive of Velindre** – The Chief Executive of Velindre University NHS Trust is responsible for the overall performance of the executive functions of the Trust and is the designated Accountable Officer for the Trust (see 1.3.11 below). As the host organisation, the Chief Executive (and the Velindre Board) has a legitimate interest in the activities of the Shared Services and has certain statutory responsibilities as the legal entity hosting Shared Services.

1.3.11 **Accountable Officers** – The Managing Director of Shared Services (as the Accountable Officer for Shared Services) and the Chief Executive of Velindre (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 shall co-operate with each other so as to ensure that full accountability for the activities of the Shared Services and Velindre is afforded to the Welsh Ministers whilst minimising duplication.

Senior Management Team

1.3.12 The Managing Director of Shared Services will lead a SMT to deliver the SSPC's annual Business Plan. The SMT will be determined by the Managing Director of Shared Services.

1.4 Appointment and tenure of Shared Services Partnership Committee members

1.4.1 The *Chair,* is appointed by the SSPC in accordance with the appointment process outlined in Annexe 5 and shall be appointed for a period specified by the SSPC, but for no longer than 4 years in any one term. The Chair can be reappointed but may not serve as the Chair of the SSPC for a total period of more than 8 years. Time served need not be consecutive and will still be counted towards the total period even where there is a break in the term. Through the appointment process, the Shared Service

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Partnership Committee must satisfy itself that the person appointed has the necessary skills and experience to perform the duties. In accordance with the Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 the first chair of the committee will be appointed by Velindre for a period of six months.

1.4.2 The *Vice Chair* is appointed by the SSPC from its Chief Executive (or their nominated representatives) members and shall be appointed for a period specified by the SSPC, but for no longer than 4 years in any one term. The Vice Chair may not serve as the Vice Chair of the SSPC for a total period of more than 8 years. Time served need not be consecutive and will still be counted towards the total period even where there is a break in term.

1.4.3 The appointment and removal process for the Chair and Vice Chair shall be determined by the SSPC. In making these appointments, the SSPC must ensure:

- a balanced knowledge and understanding amongst the membership of the needs of all geographical areas served by the SSPC;
- that wherever possible, the overall membership of the SSPC reflects the diversity of the population;
- potential conflicts of interest are kept to a minimum;
- the Vice Chair is not employed by the same Partner organisation as the Chair; and
- that the person has the necessary skills and experience to perform the duties of the chair.

1.5 Termination of Appointment of SSPC Chair and Vice Chair

1.5.1 The Committee may remove the SSPC Chair or Vice Chair by the process outlined in Annexe 5 to these SOs if it determines:

- It is not in the interests of the SSPC; or
- It is not conducive to good management of the SSPC

for that Chair or Vice Chair to continue to hold office.

1.5.2 All SSPC members' tenure of appointment will cease in the event that they no longer meet any of the eligibility requirements set for their role, so far as they are applicable, and as specified in the relevant Regulations. Any member must inform the SSPC Chair as soon as is reasonably practicable to do so in respect of any issue which may impact on their eligibility to hold office.

1.5.3 The SSPC will require its Chair and members to confirm their continued

eligibility on an annual basis in writing.

1.6 Appointment of Shared Services Staff

1.6.1 The Shared Services staff shall be appointed by Velindre. The appointments process shall be in line with the workforce policies and procedures of Velindre and any directions made by the Welsh Ministers.

1.7 Responsibilities and Relationships with each HB, Trust and Special Health Authority's Board, Velindre University NHS Trust as the Host and Others

1.7.1 The SSPC is not a separate legal entity from each of the HBs, Trusts and Special Health Authority. It shall report to each HB, Trust and Special Health Authority Board on its activities, to which it is formally accountable in respect of the exercise of the Shared Services functions carried out on their behalf. Velindre's Board will not be responsible or accountable for exercising Velindre's functions in relation to Shared Services, including the setting of policy and strategy and the management and provision of Shared Services to HB, Trust and Special Health Authority. Velindre's Board, as the host organisation, shall be responsible for ensuring that the Shared Services staff act in accordance with the administrative policies and procedures agreed between Velindre and the SSPC.

1.7.2 Each HB, Trust and Special Health Authority shall determine the arrangements for any meetings with the Managing Director of Shared Services and their organisation through the SSPC.

1.7.3 The HB, Trust and Special Health Authority Chairs, through the lead Chair, shall put in place arrangements to meet with the SSPC Chair on a regular basis to discuss the SSPC's activities and operation.

2 RESERVATION AND DELEGATION OF SHARED SERVICES FUNCTIONS

Within the framework agreed by Velindre and set out within these Shared Services SOs - and subject to any directions that may be given by the Welsh Ministers - the SSPC may make arrangements for certain functions to be carried out on its behalf so that the day to day business of the SSPC may be carried out effectively and in a manner that secures the achievement of its aims and objectives. In doing so, the SSPC must set out clearly the terms and conditions upon which any delegation is being made.

The SSPC's determination of those matters that it will retain, and those that will be delegated to others shall be set out in a:

i	Scheme of matters reserved to the SSPC;
ii	Scheme of Delegation to Sub-Committees of the SSPC and others; and
iii	Scheme of Delegation, including financial limits, to Velindre Shared Services officers and non-Shared Services officers

all of which must be formally agreed by Velindre and adopted by the SSPC.

The SSPC retains full responsibility for any functions delegated to others to carry out on its behalf.

2.1 Chair's Action on Urgent Matters

2.1.1 There may, occasionally, be circumstances where decisions which would normally be made by the SSPC need to be taken between scheduled meetings, and it is not practicable to call a meeting of the SSPC. In these circumstances, the SSPC Chair and the Managing Director of Shared Services may deal with the matter on behalf of the SSPC - after first consulting with at least one other HB, Trust or Special Health Authority Chief Executive (or their representative). The Head of Finance and Business Improvement must ensure that any such action is formally recorded and reported to the next meeting of the SSPC for consideration and ratification.

2.2 Delegation to Sub-Committees and Others

2.2.1 The SSPC shall agree the delegation of any of their functions to Sub-Committees or others (including networks), setting any conditions and restrictions it considers necessary and following any directions agreed by Velindre.

2.2.2 The SSPC shall agree and formally approve the delegation of specific powers to be exercised by Sub-Committees which it has formally constituted or to others.

2.3 Delegation to Officers

2.3.1 The SSPC will delegate certain functions to the Managing Director of Shared Services. For these aspects, the Managing Director of Shared Services, when compiling the Scheme of Delegation, shall set out proposals for those functions they will perform personally and shall nominate other Velindre officers to undertake the remaining functions. The Managing Director of Shared Services will still be accountable to the SSPC for all functions delegated to them irrespective of any further delegation to other Velindre officers.

2.3.2 This must be considered and approved by the SSPC (subject to any amendment agreed during the discussion) and agreed by Velindre. The Managing Director of Shared Services may periodically propose amendment to the Scheme of Delegation and any such amendments must also be considered and approved by the SSPC and agreed by Velindre.

2.3.3 Individual members of the Shared Services SMT are in turn responsible for delegation within their own teams in accordance with the framework established by the Managing Director of Shared Services and agreed by the SSPC and Velindre.

3 SUB-COMMITTEES

In accordance with Shared Services Standing Order 4.0.3, the SSPC may and, where directed by Velindre must, appoint Sub-Committees of the SSPC either to undertake specific functions on the SSPC's behalf or to provide advice and assurance to others (whether directly to the SSPC, or on behalf of the SSPC). Velindre's Shared Services officers should not normally be appointed as Sub-Committee Chairs. Shared Services officers may only be appointed to serve as members on any committee where that committee does not have the function of holding that officer to account.

These may consist wholly or partly of SSPC members or of persons who are not SSPC members.

3.1 Sub-Committees Established by the SSPC

The SSPC shall establish a Sub-Committee structure that meets its own advisory and assurance needs and/or utilise Velindre's Committee arrangements to assist it in discharging its governance responsibilities. The SSPC shall ensure its Sub-Committee structure meets the needs of Velindre University NHS Trust, as the host organisation, and also the needs of its Partners.   As a minimum, it shall ensure arrangements are in place to cover the following aspects of SSPC business:

- Quality and Safety
- Audit

3.1.1 The SSPC may make arrangements to receive and provide assurance to others through the establishment and operation of its own Sub-Committees or by placing responsibility with Velindre, as the host. Where responsibility is placed with Velindre, the arrangement shall be detailed within the Hosting Agreement between the SSPC and Velindre as the host organisation and/or the Interface Agreement between the Managing

Director of Shared Services (as the Accountable Officer for Shared Services) and Velindre's Chief Executive (as Accountable Officer for the Trust).

The SSPC has the following sub-committees:

- Velindre Audit Committee for SSPC
- Welsh Risk Pool Committee

Full details of the Sub-Committee structure established by the SSPC, including detailed terms of reference for each of these Sub-Committees are set out in Annexe 3 of these Shared Services SOs.

3.1.2 Each Sub-Committee established by or on behalf of the SSPC must have its own terms of reference and operating arrangements, which must be formally approved by the SSPC and agreed by Velindre. These must establish its governance and ways of working, setting out, as a minimum:

- the scope of its work (including its purpose and any delegated powers and authority);
- membership and quorum;
- meeting arrangements;
- relationships and accountabilities with others;
- any budget and financial responsibility, where appropriate;
- secretariat and other support;
- training, development and performance; and
- reporting and assurance arrangements.

3.1.3 In doing so, the SSPC shall specify which aspects of these Shared Services SOs are not applicable to the operation of the Sub-Committee, keeping any such aspects to the minimum necessary.

3.1.4 The membership of any such Sub-Committees - including the designation of Chair; definition of member roles and powers and terms and conditions of appointment (including remuneration and reimbursement) - will usually be determined by the SSPC, subject to any specific requirements or directions agreed by Velindre. Depending on the Sub-Committee's defined role and remit; membership may be drawn from the SSPC or Velindre staff (subject to the conditions set in Shared Services Standing Order 3.1.5) or others.

3.1.5 Velindre's Shared Services officers should not normally be appointed as Sub-Committee Chairs, nor should they be appointed to serve as members on any committee set up to review the exercise of functions delegated to Shared Services officers. Designated Shared Services Directors or Heads of Services or other Shared Services officers shall,

however, be in attendance at such Sub-Committees, as appropriate.

3.2   Other Groups

3.2.1 The SSPC may also establish other groups to help it in the conduct of its business.

3.3   Reporting Activity to the Shared Services Partnership Committee

3.3.1 The SSPC must ensure that the Chairs of all Sub-Committees and other bodies or groups operating on its behalf report formally, regularly and on a timely basis to the SSPC on their activities. Sub-Committee Chairs' shall bring to the SSPC's specific attention any significant matters under consideration and report on the totality of its activities through the production of minutes or other written reports.

3.3.2 Each Sub-Committee shall also submit an annual report to the SSPC through the Chair within 3 months of the end of the reporting year setting out its activities during the year and detailing the results of a review of its performance and that of any sub groups it has established.

4   EXPERT PANEL AND OTHER ADVISORY GROUPS

4.1.1 The SSPC may appoint an Expert Panel and other Advisory Groups to provide it with advice in the exercise of its functions. Full details of the Expert Panel and other Advisory Groups established by the SSPC, including detailed terms of reference are set out in Annexe 4 of these Shared Services SOs.

4.1   Expert Panels and Advisory Groups Established by the SSPC

- Evidence-based Procurement Board

4.2   Confidentiality

4.2.1 Advisory Group members and attendees must not disclose any matter dealt with by or brought before a Group in confidence without the permission of the Advisory Group Chair.

4.3   Reporting Activity

4.3.1 The SSPC shall ensure that the Chairs of any Expert Panel or Advisory Group reports formally, regularly and on a timely basis to the SSPC on their activities. Expert Panel or Advisory Group Chairs shall bring to the SSPC's specific attention any significant matters

under consideration and report on the totality of its activities through the production of minutes or other written reports.

4.3.2 Any Expert Panel or Advisory Group shall also submit an annual report to the SSPC through the Chair within 1 month of the end of the reporting year setting out its activities during the year and detailing the results of a review of its performance and that of any sub groups it has established.

4.3.3 Each Advisory Group shall report regularly on its activities to those whose interests they represent.

4.4   Terms of Reference and Operating Arrangements

4.4.1 The SSPC and the Velindre Board must formally approve terms of reference and operating arrangements in respect of any. These must establish its governance and ways of working, setting out, as a minimum:

- The scope of its work (including its purpose and any delegated powers and authority);
- Membership and quorum;
- Meeting arrangements;
- Relationships and accountabilities with others;
- Any budget and financial responsibility, where appropriate;
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

4.4.2 In doing so, the SSPC shall specify which aspects of these SOs are not applicable to the operation of the Expert Panel or Advisory Group, keeping any such aspects to the minimum necessary.

4.4.3 The membership of any Expert Panel or Advisory Group - including the designation of Chair; definition of member roles and powers and terms and conditions of appointment (including remuneration and reimbursement) - will usually be determined by the SSPC, subject to any specific requirements or directions agreed by Velindre.

4.4.4 The SSPC may determine that any Advisory Group it has set up should be supported by sub-groups to assist it in the conduct of its work, or the Advisory Group may itself determine such arrangements, provided that the SSPC approves such action.

4.5   The Local Partnership Forum (LPF)

4.5.1 The LPF's role is to provide a formal mechanism where the SSPC, as employer, and trade unions/professional bodies representing NWSSP's employees (hereafter referred to as staff organisations) work together to improve health services for the citizens served by the NWSSP – achieved through a regular and timely process of consultation, negotiation and communication. In doing so, the LPF must effectively represent the views and interests of the NWSSP workforce.

4.5.2 It is the forum where the NWSSP and staff organisations will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues; and inform thinking around national priorities on health matters.

4.5.3 NWSSP may specifically request advice and feedback from the LPF on any aspect of its business, and the LPF may also offer advice and feedback even if not specifically requested by NWSSP. The LPF may provide advice to the SSPC:

- In written advice; or
- In any other form specified by the Board.

4.6   Terms of Reference and Operating Arrangements

4.6.1 The SSPC must formally approve terms of reference and operating arrangements for the LPF. These must establish its governance and ways of working, setting out, as a minimum:

- The scope of its work (including its purpose and any delegated powers and authority);
- Membership (including member appointment and removal, role,responsibilities and accountability, and terms and conditions of office);
- Meeting arrangements;
- Communications;
- Relationships and accountabilities with others (including the Board, its Committees and Advisory Groups, and other relevant local and national groups);
- Any budget and financial responsibility (where appropriate);
- Secretariat and other support; and
- Reporting and assurance arrangements.

4.6.2 In doing so, the SSPC shall specify which aspects of these SOs are not applicable to the operation of the LPF, keeping any such aspects to the

minimum necessary. The LPF will also operate in accordance with the TUC six principles of partnership working.

4.6.3 The LPF may establish sub-fora to assist it in the conduct of its work, to facilitate:

- Ongoing dialogue, communication and consultation on service and operational management issues specific to Divisions/Directorates/Service areas; and/or
- Detailed discussion in relation to a specific issue(s).

4.7 Membership

4.7.1 NWSSP shall agree the overall size and composition of the LPF in consultation with those staff organisations it recognises for collective bargaining. As a minimum, the membership of the LPF shall comprise:

- Management Representatives
- Managing Director
- Director of Finance & Corporate Services
- Director of Workforce and Organisational Development

together with the following:

- General Managers/Divisional Managers; and
- Workforce and Organisational Development staff

4.7.2 The Trust may determine that other Executive Directors or others may act as members or be co-opted to the LPF.

Staff Representatives

4.7.3 The maximum number of staff representatives shall be *agreed by the LPF* comprising representation from those staff organisations recognised by NWSSP.

In attendance

4.7.4 The Trade Union member of the Board shall attend LPF meetings in an ex officio capacity.

4.7.5 The LPF may determine that full time officers from those staff organisations recognised by the Trust shall be invited to attend LPF meetings.

4.8 Member Responsibilities and Accountability

Joint Chairs

4.8.1 The LPF shall have two Chairs on a rotational basis, one of whom shall be drawn from the management representative membership, and one from the staff representative membership.

4.8.2 The Chairs shall be jointly responsible for the effective operation of the LPF:

- Chairing meetings, rotated equally between the Staff Representative and Management Representative Chairs;
- Establishing and ensuring adherence to the standards of good governance set for the NHS in Wales, ensuring that all business is conducted in accordance with its agreed operating framework; and
- Developing positive and professional relationships amongst the Forum's membership and between the Forum and the SSPC.

4.8.3 The Chairs shall work in partnership with each other and, as appropriate, with the Chairs of the Trust's other advisory groups. Supported by the Board Secretary, Chairs shall ensure that key and appropriate issues are discussed by the Forum in a timely manner with all the necessary information and advice being made available to members to inform the debate and ultimate resolutions.

4.8.4 The Chairs are accountable to the Board for the conduct of business in accordance with the governance and operating framework set by the Trust.

Joint Vice Chairs

4.8.5 The LPF shall have two Vice Chairs, one of whom shall be drawn from the Management Representative membership, and one from the staff representative membership.

4.8.6 Each Vice Chair shall deputise for their Chair in that Chair's absence for any reason, and will do so until either the existing Chair resumes their duties or a new Chair is appointed.

4.8.7 The Vice Chair is accountable to their Chair for their performance as Vice Chair.

Members

4.8.8 All members of the LPF are full and equal members and collectively share responsibility for its decisions.

4.8.9 All members must:

- Be prepared to engage with and contribute to the LPF's activities and in a manner that upholds the standards of good governance set for the NHS in Wales;
- Comply with their terms and conditions of appointment;
- Equip themselves to fulfil the breadth of their responsibilities by participating in appropriate personal and organisational development programmes; and
- Promote the work of the LPF within the professional disciplinethey represent.

4.9   Appointment and Terms of Office

4.9.1 Management representative members shall be determined by the SSPC.

4.9.2 Staff representatives shall be determined by the staff organisations recognised by the NWSSP, subject to the following conditions:

- Staff representatives must be employed by **NWSSP** and accredited by their respective trade union; and
- A member's tenure of appointment will cease in the event that they are no longer employed by **NWSSP** or cease to be a member of their nominating trade union.

4.9.3 The *Management Representative Chair* shall be appointed by the LPF.

4.9.4 The *Staff Representative Chair* shall be elected from within the staff representative membership of the LPF, by staff representative members in a manner determined by the staff representative members. The *Staff Representative Chair's* term of office shall be for one (1) year.

4.9.5 The *Management Representative Vice Chair* shall be appointed from within the management representative membership of the LPF by the Management Representative Chair.

4.9.6 The *Staff Representative Vice Chair* shall be elected from within the staff representative membership of the LPF, by staff representative members, in a manner determined by the staff representative members. The *Staff Representative Vice Chair's* term of office shall be for one (1) year.

4.9.7 A member's tenure of appointment will cease in the event that they no longer meet any of the eligibility requirements determined for the position. A member must inform their respective LPF Chair as soon as is reasonably practicable to do so in respect of any issue which may impact on the conduct of their role.

4.10   Removal, Suspension and Replacement of Members

4.10.1 If an LPF member fails to attend three (3) consecutive meetings, the next meeting of the LPF shall consider what action should be taken. This may include removal of that person from office unless they are satisfied that:

(a)   The absence was due to a reasonable cause; and
(b)   The person will be able to attend such meetings within such period as the LPF considers reasonable.

4.10.2 If the LPF considers that it is not conducive to its effective operation that a person should continue to hold office as a member, it may remove that person from office by giving immediate notice in writing to the person and the relevant nominating body.

4.10.3 Before making a decision to remove a person from office, the LPF may suspend the tenure of office of that person for a limited period (as determined by the LPF) to enable it to carry out a proper investigation of the circumstances leading to the consideration of removal. Where the LPF suspends any member, that member shall be advised immediately in writing of the reasons for their suspension. Any such member shall not perform any of the functions of membership during a period of suspension.

4.10.4 A nominating body may remove and, where appropriate, replace a member appointed to the LPF to represent their interests by giving immediate notice in writing to the LPF.

4.11   Relationship with the SSPC and others

4.11.1 The LPF's main link with the SSPC is through the Managerial members of the LPF.

4.11.2 The Senior Management Team may determine that designated SMT members or NWSSP staff shall be in attendance at LPF meetings. The LPF's Chair may also request the attendance of SMT members or Trust staff, subject to the agreement of the Chair.

4.11.3 The SMT shall determine the arrangements for any joint meetings between the SMT and the LPF's staff representative members.

4.11.4 The Managing Director shall put in place arrangements to meet with the LPG's Joint Chairs on a regular basis to discuss the LPF's activities and operation.

4.11.5 The LPF shall ensure effective links and relationships with other groups/fora at a local and, where appropriate, national level.

4.12 Support to the LPF

4.12.1 The LPF's work shall be supported by two designated Secretary's, one of whom shall support the staff representative members and one shall support the management representative members.

4.12.2 The Director of Workforce and OD will act as Management Representative Secretary and will be responsible for the maintenance of the constitution of the membership, the circulation of agenda and minutes and notification of meetings.

4.12.3 The Staff Representative Secretary shall be elected from within the staff representative membership of the LPF, by staff representative members, in a manner determined by the staff representatives. The Staff Representative Secretary's term of office shall be for two (2) years.

4.12.4 Both Secretaries shall work closely with the NWSSP Head of Finance and Business Improvement who is responsible for the overall planning and co-ordination of the programme of SMT and Committee business, including that of its Advisory Groups.

5   WORKING IN PARTNERSHIP

5.1.1 The SSPC shall work constructively in partnership with others to plan and secure the delivery of the best possible healthcare for its citizens, in accordance with its statutory duties and any specific requirements or directions made by the Welsh Ministers.

5.1.2 The Chair shall ensure that the SSPC has identified all its key partners and other stakeholders and established clear mechanisms for engaging with and involving them in the work of the NWSSP through:

   ▪   NWSSP's own structures and operating arrangements, e.g., Advisory Groups;

5.1.3 The SMT shall keep under review its partnership arrangements to ensure continued clarity around purpose, desired outcomes and partner

responsibilities. It must ensure timely action to change, adapt or end partnerships where they no longer serve a useful purpose, in accordance with its statutory duties; any specific requirements or directions made by the Welsh Ministers; and the agreed terms and conditions for the partnership.

6   MEETINGS

6.1   Putting Citizens first

6.1.1   The SSPC's business will be carried out openly and transparently in a manner that encourages the active engagement of its citizens and other stakeholders. The SSPC, through the planning and conduct of meetings held in public, shall facilitate this in a number of ways, including:

- active communication of forthcoming business and activities;
- the selection of accessible, suitable venues for meetings;
- the availability of papers in English and Welsh languages and in accessible formats, such as Braille, large print, easy read and in electronic formats;
- requesting that attendees notify the Committee Secretariat of any access needs sufficiently in advance of a proposed meeting, and responding appropriately, e.g. arranging British Sign Language (BSL) interpretation at meetings; and

where appropriate, ensuring suitable translation arrangements are in place to enable the conduct of meetings in either English or Welsh, in accordance with legislative requirements, e.g. Equality Act 2010 (Statutory Duties) (Wales) Regulations , Welsh Language (Health Sector) Regulations; as well as NWSSP's Communication Strategy and Velindre's Welsh Language Scheme.

6.1.2   The SSPC Chair will ensure that, in determining the matters to be considered by the SSPC, full account is taken of the views and interests of all citizens served by the SSPC on behalf of each HB, Trust and Special Health Authority, including any views expressed formally. The Chair will ensure that, in determining the matters to be considered by the Committee, full account is taken of the views and interests of the Committee's stakeholders, including any views expressed formally to the Committee, e.g. through Community Health Councils.

6.2   Annual Plan of Committee Business

6.2.1   The Committee Secretariat, on behalf of the SSPC Chair, shall produce an annual Business Plan of Committee business. This plan will include

proposals on meeting dates, venues and coverage of business activity during the year. The Business Plan shall also set out any standing items that shall appear on every SSPC agenda.

6.2.2   The Business Plan shall set out the arrangements in place to enable the SSPC to meet its obligations to its citizens as outlined in paragraph 6.1.1 whilst also allowing SSPC members to contribute in either English or Welsh languages, where appropriate.

6.2.3   The Business Plan shall also incorporate formal SSPC meetings, regular Committee development sessions and, where appropriate, and the planned activities of Sub-Committees, Expert Panel and Advisory Groups.

6.2.4   The SSPC shall agree the Business Plan for the forthcoming year by the end of March.

6.3   Calling Meetings

6.3.1   In addition to the planned meetings agreed by the SSPC, the SSPC Chair may call a meeting of the SSPC at any time. An individual SSPC member may request that the SSPC Chair call a meeting provided that in at least one third of the whole number of Committee members supports such a request.

6.3.2   If the Chair does not call a meeting within seven days after receiving such a request from SSPC members, then those SSPC members may themselves call a meeting.

6.4   Preparing for Meetings

Setting the agenda

6.4.1   The SSPC Chair, in consultation with the Committee Secretariat and Managing Director of Shared Services, will set the agenda. In doing so, they will take account of the planned activity set in the annual cycle of SSPC business; any standing items agreed by the SSPC; any applicable items received from Sub-Committees and other groups as well as the priorities facing the SSPC. The SSPC Chair must ensure that all relevant matters are brought before the SSPC on a timely basis.

6.4.2   Any SSPC member may request that a matter is placed on the agenda by writing to the SSPC Chair, copied to the Committee Secretariat, at least 12 calendar days before the meeting. The request shall set out whether the item of business is proposed to be transacted in public and shall include appropriate supporting information.   The Chair may, at their discretion, include items on the agenda that have been requested after

the 12 day notice period if this would be beneficial to the conduct of SSPC business.

Notifying and equipping SSPC members

6.4.3 SSPC members should be sent an agenda and a complete set of supporting papers at least 10 calendar days before a formal SSPC meeting. This information may be provided to SSPC members electronically or in paper form, in an accessible format, to the address provided, and in accordance with their stated preference. Supporting papers may, exceptionally, be provided after this time, provided that the SSPC Chair is satisfied that the SSPC's ability to consider the issues contained within the paper would not be impaired.

6.4.4 No papers should be included for decision by the SSPC unless the SSPC Chair is satisfied (subject to advice from the Committee Secretariat, as appropriate) that the information contained within it is sufficient to enable the SSPC to take a reasonable decision. Equality Impact Assessments (EIA) shall be undertaken on all new or revised policies, strategies, guidance and or practice to be considered by the SSPC, and the outcome of that EIA shall accompany the report to the SSPC to enable the SSPC to make an informed decision.

6.4.5 In the event that at least half of the SSPC members do not receive the agenda and papers for the meeting as set out above, the SSPC Chair must consider whether or not the SSPC would still be capable of fulfilling its role and meeting its responsibilities through the conduct of the meeting. Where the SSPC Chair determines that the meeting should go ahead, their decision, and the reason for it, shall be recorded in the minutes.

6.4.6 In the case of a meeting called by SSPC members, notice of that meeting must be signed by those members and the business conducted will be limited to that set out in the notice.

Notifying the public and others

6.4.7 Except for meetings called in accordance with Shared Services Standing Order 6.4, at least 10 calendar days before each meeting of the SSPC a public notice of the time and place of the meeting, and the public part of the agenda, shall be displayed bilingually (in English and Welsh):

▪ at the SSPC's principal sites;
▪ on the SSPC's website, together with the papers supporting the public part of the agenda; as well as

- through other methods of communication as set out in the SSPC's communication strategy.

6.4.8 When providing notification of the forthcoming meeting, the SSPC shall set out when and how the agenda and the papers supporting the public part of the agenda may be accessed, in what language and in what format, e.g. as Braille, large print, easy read, etc.

6.5 Conducting Shared Services Partnership Committee Meetings

Admission of the public, the press and other observers

6.5.1 The SSPC shall encourage attendance at its formal SSPC meetings by the public and members of the press as well as officers or representatives from organisations who have an interest in the business of the SSPC. The venue for such meetings must be appropriate to facilitate easy access for attendees and translation services; and should have appropriate facilities to maximise accessibility such as an induction loop system.

6.5.2 The SSPC shall conduct as much of its formal business in public as possible. There may be circumstances where it would not be in the public interest to discuss a matter in public, e.g. business that relates to a confidential matter affecting a Shared Services officer, a patient or a procurement contract. In such cases the Chair (advised by the Head of Finance and Business Improvement where appropriate) shall Annexe these issues accordingly and requires that any observers withdraw from the meeting. In doing so, the SSPC shall resolve:

"That representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest" [Section 1(2) Public Bodies (Admission to Meetings) Act 1960].

6.5.3 In these circumstances, when the SSPC is not meeting in public session it shall operate in private session, formally reporting any decisions taken to the next meeting of the SSPC in public session. Wherever possible, that reporting shall take place at the end of a private session, by reconvening a SSPC meeting held in public session.

6.5.4 The Head of Finance and Business Improvement, on behalf of the SSPC Chair, shall keep under review the nature and volume of business conducted in private session to ensure such arrangements are adopted only when absolutely necessary.

6.5.5 In encouraging entry to formal SSPC meetings from members of the public and others, the SSPC shall make clear that attendees are welcomed as observers. The SSPC Chair shall take all necessary steps to ensure that the SSPC's business is conducted without interruption and disruption. In exceptional circumstances, this may include a requirement that observers leave the meeting. In doing so, the SSPC shall resolve:

"That in the interests of public order the meeting adjourn for (the period to be specified) to enable the SSPC to reconvene the meeting and to complete business without the presence of the public".

6.5.6 Unless the SSPC has given prior and specific agreement, members of the public or other observers will not be allowed to record proceedings in any way other than in writing.

Addressing the SSPC, its Sub-Committees, Expert Panel or Advisory Groups

6.5.7 The SSPC shall decide what arrangements and terms and conditions are appropriate in extending an invitation to observers to attend and address any meetings of the SSPC, its Sub-Committees, expert panel or Advisory Groups, and may change, alter or vary these terms and conditions as it considers appropriate. In doing so, the SSPC will take account of its responsibility to actively encourage the engagement and, where appropriate, involvement of citizens and stakeholders in the work of the SSPC (whether directly or through the activities of bodies such as Community Health Councils) and to demonstrate openness and transparency in the conduct of business.

Chairing SSPC Meetings

6.5.8 The Chair of the SSPC will preside at any meeting of the SSPC unless they are absent for any reason (including any temporary absence or disqualification from participation on the grounds of a conflict of interest). In these circumstances the Vice Chair shall preside. If both the Chair and Vice-Chair are absent then no formal business shall take place.

6.5.9 The Chair must ensure that the meeting is handled in a manner that enables the SSPC to reach effective decisions on the matters before it. This includes ensuring that SSPC members' contributions are timely and relevant and move business along at an appropriate pace. In doing so, the SSPC must have access to appropriate advice on the conduct of the meeting through the attendance of the Head of Finance and Business Improvement. The Chair has the final say on any matter relating to the conduct of SSPC business.

6.5.10 At least 6 voting members, at least 4 of whom are HB, Trust or Special Health Authority Chief Executives (or their nominated representatives) and one is either the Chair or the Vice Chair, must be present to allow any formal business to take place at a Shared Services Committee meeting. If the Managing Director of Shared Services is not present, then no formal business should be transacted unless there is in attendance a properly authorised deputy for the Managing Director.

6.5.11 If a HB, Trust or Special Health Authority Chief Executive (or their nominated representative) or the Managing Director of Shared Services is unable to attend a SSPC meeting, then a nominated deputy may attend in their absence which should be an Executive Director of the same organisation and will formally contribute to the quorum and have delegated voting rights, provided that the Chair has agreed the nomination before the meeting.

6.5.12 The quorum must be maintained during a meeting to allow formal business to be conducted, i.e. any decisions to be made. Any SSPC member disqualified through conflict of interest from participating in the discussion on any matter and/or from voting on any resolution will no longer count towards the quorum. If this results in the quorum not being met that particular matter or resolution cannot be considered further at that meeting, and must be noted in the minutes. A member may participate in a meeting via video or teleconference where this is available.

Dealing with Motions

6.5.13 In the normal course of SSPC business items included on the agenda are subject to discussion and decisions based on consensus. Considering a motion is therefore not a routine matter and may be regarded as exceptional, e.g. where an aspect of service delivery is a cause for particular concern, a SSPC member may put forward a motion proposing that a formal review of that service area is undertaken. The Board Secretary support role will advise the Chair on the formal process for dealing with motions. No motion or amendment to a motion will be considered by the SSPC unless moved by a SSPC member and seconded by another SSPC member (including the SSPC Chair).

6.5.14 **Proposing a formal notice of Motion –** Any SSPC member wishing to propose a motion must notify the SSPC Chair in writing of the proposed motion at least 12 calendar days before a planned meeting. Exceptionally, an emergency motion may be proposed up to one hour before the fixed start of the meeting, provided that the reasons for the

urgency are clearly set out. Where sufficient notice has been provided, and the SSPC Chair has determined that the proposed motion is relevant to the SSPC's business, the matter shall be included on the agenda, or, where an emergency motion has been proposed, the SSPC Chair shall declare the motion at the start of the meeting as an additional item to be included on the agenda.

6.5.15 The SSPC Chair also has the discretion to accept a motion proposed during a meeting provided that the matter is considered of sufficient importance and its inclusion would not adversely affect the conduct of SSPC business.

6.5.16 **Amendments -** Any SSPC member may propose an amendment to the motion at any time before or during a meeting and this proposal must be considered by the SSPC alongside the motion.

6.5.17 If there are a number of proposed amendments to the Motion, each amendment will be considered in turn, and if passed, the amended Motion becomes the basis on which the further amendments are considered, i.e. the substantive motion.

6.5.18 **Motions under discussion –** When a motion is under discussion, any SSPC member may propose that:

- the motion be amended;
- the meeting should be adjourned;
- the discussion should be adjourned and the meeting proceed to the next item of business;
- a SSPC member may not be heard further;
- the SSPC decides upon the motion before them;
- an ad hoc committee should be appointed to deal with a specific item of business; or
- The public, including the press, should be excluded.

6.5.19 **Rights of reply to motions –** The mover of a motion (including an amendment) shall have a right of reply at the close of any debate on the motion or the amendment immediately prior to a vote on the proposal.

6.5.20 **Withdrawal of Motion or Amendments –** A motion or an amendment to a motion, once moved and seconded, may be withdrawn by the proposer with the agreement of the seconded and the SSPC Chair.

6.5.21 **Motion to rescind a resolution –** The SSPC may not consider a motion to amend or rescind any resolution (or the general substance of any resolution) which has been passed within the preceding six (6) calendar

months unless the motion is supported by the (simple) majority of SSPC members.

6.5.22 A motion that has been decided upon by the SSPC cannot be proposed again within six months except by the SSPC Chair, unless the motion relates to the receipt of a report or the recommendations of a Sub-Committee/Managing Director of Shared Services to which a matter has been referred.

Voting

6.5.23 The SSPC Chair will determine whether SSPC members' decisions should be expressed orally, through a show of hands, or by secret ballot or by recorded vote. The SSPC Chair must require a secret ballot if the majority of voting SSPC members request it. Where voting on any question is conducted, a record shall be maintained. In the case of a secret ballot the decision shall record the number voting for, against or abstaining. Where a recorded vote has been used the minutes shall record the name of the individual and the way in which they voted.

6.5.24 In determining every question at a meeting, the SSPC members must take account, where relevant, of the views expressed and representations made by individuals who represent the interests of citizens in Wales. Such views may be presented to the SSPC through the Chairs of any Expert Panel, Advisory Group and/or the Community Health Council representative(s).

6.5.25 Except for decisions related to the overall funding contribution from each of the HBs, Trusts or Special Health Authority, the SSPC will make decisions subject to a 2/3 majority of voting. In no circumstances may an absent SSPC member (or their nominated deputy) vote by proxy. Absence is defined as being absent at the time of the vote.

6.6 Record of Proceedings

6.6.1 A record of the proceedings of formal SSPC meetings (and any other meetings of the SSPC where the SSPC members determine) shall be drawn up as 'minutes'. These minutes shall include a record of SSPC member attendance (including the SSPC Chair) together with apologies for absence, and shall be submitted for agreement at the next meeting of the SSPC, where any discussion shall be limited to matters of accuracy. Any agreed amendment to the minutes must be formally recorded.

6.6.2 Agreed minutes shall be circulated in accordance with SSPC members' wishes, and, where providing a record of a formal SSPC meeting shall be made available to the public on the Shared Services website and in hard

copy or other accessible format on request, in accordance with any legislative requirements, e.g. Data Protection Act, the SSPC's Communication Strategy and Velindre's Welsh Language Scheme.

6.7 Confidentiality

6.7.1 All SSPC members, together with members of any Sub-Committee, Expert Panel or Advisory Group established by or on behalf of the SSPC and SSPC members and/or HB/Trust/Special Health Authority officials must respect the confidentiality of all matters considered by the SSPC in private session or set out in documents which are not publicly available. Disclosure of any such matters may only be made with the express permission of the SSPC Chair or relevant Sub-Committee or group, as appropriate, and in accordance with any other requirements set out elsewhere, e.g. in contracts of employment, within the Values and Standards of Behaviour Framework or legislation such as the Freedom of Information Act (2000), etc.

7   VALUES AND STANDARDS OF BEHAVIOUR

The SSPC must operate within a set of values and standards of behaviour that meets the requirements of the NHS Wales Values and Standards of Behaviour Framework. These values and standards of behaviour will apply to all those conducting business by or on behalf of the SSPC, including SSPC members, Velindre Shared Services officers and others, as appropriate. The Framework adopted by the SSPC will form part of these SOs.

7.1 Declaring and Recording Shared Services Partnership Committee Members' Interests

7.1.1 **Declaration of interests –** It is a requirement that all SSPC members should declare any personal or business interests they may have which may affect, or be perceived to affect, the conduct of their role as a SSPC member. This includes any interests that may influence or be perceived to influence their judgement in the course of conducting the SSPC's business. SSPC members must be familiar with the Values and Standards of Behaviour Framework and their statutory duties under the relevant Constitution Regulations.   SSPC members must notify the SSPC of any such interests at the time of their appointment, and any further interests as they arise throughout their tenure as SSPC members.

7.1.2 SSPC members must also declare any interests held by family members or persons or bodies with which they are connected. The Head of Finance and Business Improvement will provide advice to the SSPC Chair and the SSPC on what should be considered as an 'interest', taking

account of the regulatory requirements and any further guidance, e.g. the Values and Standards of Behaviour framework. If individual SSPC members are in any doubt about what may be considered as an interest, they should seek advice from the Head of Finance and Business Improvement. However, the onus regarding declaration will reside with the individual SSPC member.

7.1.3 **Register of interests –** The Managing Director of Shared Services, through the Head of Finance and Business Improvement will ensure that a Register of Interests is established and maintained as a formal record of interests declared by all SSPC members. The register will include details of all Directorships and other relevant and material interests which have been declared by SSPC members.

7.1.4 The register will be held by the Head of Finance and Business Improvement, and will be updated during the year, as appropriate, to record any new interests, or changes to the interests declared by SSPC members. The Head of Finance and Business Improvement will also arrange an annual review of the register, through which SSPC members will be required to confirm the accuracy and completeness of the register relating to their own interests.

7.1.5 In line with the SSPC's commitment to openness and transparency, the Head of Finance and Business Improvement must take reasonable steps to ensure that citizens served by the SSPC are made aware of, and have access to view the Register of Interests. This will include publication on the Shared Services website.

7.1.6 **Publication of declared interests in Annual Report –** SSPC members' directorships of companies or positions in other organisations likely or possibly seeking to do business with the NHS shall be published in each Shared Services' Annual Report. For clarification, this will be included within Velindre University NHS Trust's Annual Report, as there is no requirement for Shared Services to prepare the same.

7.2 Dealing with Members' interests during Shared Services Partnership Committee meetings

7.2.1 The SSPC Chair, advised by the Head of Finance and Business Improvement, must ensure that the SSPC's decisions on all matters brought before it are taken in an open, balanced, objective and unbiased manner. In turn, individual board members must demonstrate, through their actions, that their contribution to the SSPC's decision making is based upon the best interests of the NHS in Wales. This is particularly important as there is an inherent tension in a member's role on the SSPC

and as a member of the Board of an HB, Trust or Special Health Authority.

7.2.2 Where individual SSPC members identify an interest in relation to any aspect of SSPC business set out in the SSPC's meeting agenda, that member must declare an interest at the start of the SSPC meeting. SSPC members should seek advice from the SSPC Chair, through the Head of Finance and Business Improvement before the start of the SSPC meeting if they are in any doubt as to whether they should declare an interest at the meeting. All declarations of interest made at a meeting must be recorded in the SSPCs minutes.

7.2.3 It is the responsibility of the SSPC Chair, on behalf of the SSPC, to determine the action to be taken in response to a declaration of interest, taking account of any regulatory requirements or directions given by the Welsh Ministers. The range of possible actions may include determination that:

i the declaration is formally noted and recorded, but that the SSPC member should participate fully in the SSPC's discussion and decision, including voting.

ii the declaration is formally noted and recorded, and the SSPC member participates fully in the SSPC's discussion, but takes no part in the SSPC's decision;

iii the declaration is formally noted and recorded, and the SSPC member takes no part in the SSPC discussion or decision;

iv the declaration is formally noted and recorded, and the SSPC member is excluded for that part of the meeting when the matter is being discussed. A SSPC member must be excluded, where that member has a direct or indirect financial interest in a matter being considered by the SSPC.

7.2.4 In extreme cases, it may be necessary for the member to reflect on whether their position as a SSPC member is compatible with an identified conflict of interest.

7.2.5 Where the SSPC Chair is the individual declaring an interest, any decision on the action to be taken shall be made by the Vice Chair, on behalf of the SSPC.

7.2.6 In all cases the decision of the SSPC Chair (or the Vice Chair in the case of an interest declared by the Shared Services Committee Chair) is binding on all SSPC members. The SSPC Chair should take advice from the Head of Finance and Business Improvement when determining the action to take in response to declared interests; taking care to ensure their exercise of judgement is consistently applied.

7.2.7 **Members with pecuniary (financial) interests –** Where a SSPC member, or any person they are connected with[1] has any direct or indirect pecuniary interest in any matter being considered by the SSPC including a contract or proposed contract, that member must not take part in the consideration or discussion of that matter or vote on any question related to it. The SSPC may determine that the SSPC member concerned shall be excluded from that part of the meeting.

7.2.8 The Membership Regulations define 'direct' and 'indirect' pecuniary interests and these definitions always apply when determining whether a member has an interest. These Shared services SOs must be interpreted in accordance with these definitions.

7.2.9 **Members with Professional Interests –** During the conduct of a SSPC meeting, an individual SSPC member may establish a clear conflict of interest between their role as a SSPC member and that of their professional role outside of the SSPC. In any such circumstance, the SSPC shall take action that is proportionate to the nature of the conflict, taking account of the advice provided by the Head of Finance and Business Improvement.

7.3 Dealing with Officers' Interests

7.3.1 The SSPC must ensure that the Head of Finance and Business Improvement, on behalf of the Managing Director of Shared Services, establishes and maintains a system for the declaration, recording and handling of Shared Services officers' interests in accordance with the Values and Standards of Behaviour Framework.

7.4 Reviewing How Interests are Handled

7.4.1 The SSPC's Audit Committee will review and report to the HBs, Trusts and Special Health Authority upon the adequacy of the arrangements for declaring, registering and handling interests at least annually.

7.5 Dealing with Offers of Gifts[2] and Hospitality

7.5.1 The Committee will adopt the Values and Standards of Behaviour Framework Policy of Velindre NHS Trust, which prohibits SSPC members and Shared Services officers from receiving gifts, hospitality or benefits in

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[1] In the case of persons who are married to each other or in a civil partnership with each other or who are living together as if married or civil partners, the interest of one person shall, if known to the other, be deemed for the purpose of this Standing Order to be also an interest of the other

[2] The term gift refers also to any reward or benefit

kind from a third party which may reasonably give rise to suspicion of conflict between their official duty and their private interest, or may reasonably be seen to compromise their personal integrity in any way.

7.5.2 Gifts, benefits or hospitality must never be solicited. Any SSPC member or Shared Services officer who is offered a gift, benefit or hospitality which may or may be seen to compromise their position must refuse to accept it. This may in certain circumstances also include a gift, benefit or hospitality offered to a family member of a SSPC member or Shared Services officer. Compliance with the Velindre NHS Trust Values and Standards of Behaviour Framework is mandatory for all Trust employees.

7.5.3 In determining whether any offer of a gift or hospitality should be accepted, an individual must make an active assessment of the circumstances within which the offer is being made, seeking advice from the Head of Finance and Business Improvement as appropriate. In assessing whether an offer should be accepted, individuals must take into account:

- **Relationship:** Contacts which are made for the purpose of information gathering are generally less likely to cause problems than those which could result in a contractual relationship, in which case, accepting a gift or hospitality could cause embarrassment or be seen as giving rise to an obligation;

- **Legitimate Interest:** Regard should be paid to the reason for the contact on both sides and whether it is a contact that is likely to benefit the SSPC;

- **Value:** Gifts and benefits of a trivial or inexpensive seasonal nature, e.g. diaries/calendars, are more likely to be acceptable and can be distinguished from more substantial offers. Similarly, hospitality in the form of a working lunch would not be treated in the same way as more expensive social functions, travel or accommodation (although in some circumstances these may also be accepted);

- **Frequency:** Acceptance of frequent or regular invitations particularly from the same source would breach the required standards of conduct. Isolated acceptance of, for example, meals, tickets to public, sporting, cultural or social events would only be acceptable if attendance is justifiable in that it benefits the SSPC; and

- **Reputation:** If the body concerned is known to be under investigation by or has been publicly criticised by a public body, regulators or inspectors, acceptance of a gift or hospitality might be seen as supporting the body or affecting in some way the investigation or

negotiations and it must always be declined.

7.5.4 A distinction shall be drawn between items offered as hospitality and items offered in substitution for fees for broadcasts, speeches, lectures or other work done. There may be circumstances where the latter may be accepted if they can be used for official purposes.

7.6 Register of Gifts and Hospitality

7.6.1 The Head of Finance and Business Improvement, on behalf of the SSPC Chair, will maintain a Register of Gifts and Hospitality to record offers of gifts and hospitality made to SSPC members. Shared Services Director of Finance and Corporate Services together with Heads of Service, will adopt the Velindre University NHS Trust Policy on Gifts and Hospitality in relation to Shared Services officers working within their areas.

7.6.2 Every SSPC member and Shared Services officer has a personal responsibility to volunteer information in relation to offers of gifts and hospitality made in their capacity as SSPC members, including those offers that have been refused. The Head of Finance and Business Improvement, on behalf of the SSPC Chair and Managing Director of Shared Services, will ensure the incidence and patterns of offers and receipt of gifts and hospitality is kept under active review, taking appropriate action where necessary.

7.6.3 When determining what should be included in the register, Shared Services Officers must apply the principles as set out in the Velindre University NHS Trust Policy on gifts and hospitality.

7.6.4 SSPC members and Shared Services officers may accept the occasional offer of modest and proportionate hospitality but in doing so must consider whether the following conditions are met:

- acceptance would further the aims of the SSPC;
- the level of hospitality is reasonable in the circumstances;
- it has been openly offered; and,
- it could not be construed as any form of inducement and will not put the individual under any obligation to those offering it.

7.6.5 The Head of Finance and Business Improvement will arrange for a full report of all offers of Gifts and Hospitality recorded by the SSPC to be submitted to Velindre's Audit Committee at least annually. The Audit Committee will then review and report to the SSPC and the Velindre Board upon the adequacy of the SSPCs arrangements for dealing with offers of gifts and hospitality.

7.6.6 Detailed arrangements for the handling of gifts and hospitality are set out within the Velindre University NHS Trust Values and Standards of Behaviour framework and its policy on Gifts and Hospitality.

8 SIGNING AND SEALING DOCUMENTS

The Common Seal of NWSSP's host is primarily used to seal legal documents such as transfers of land, lease agreements and other important/key contracts. The seal may only be fixed to a document if the Board has determined it shall be sealed, or if a transaction to which the document relates has been approved by the Board.

Where the Velindre Board has decided that a NWSSP document shall be sealed it shall be fixed in the presence of the Chair or Vice Chair (or other authorised Independent Member) and the Chief Executive (or another authorised individual) both of whom witness the seal.

8.1 Register of Sealing

8.1.1 The Head of Finance and Business Improvement shall keep a register that records the sealing of every NWSSP document. Each entry must be signed by the person who approved and authorised the document and who witnessed the seal. A report of all sealing shall be presented to the SSPC at least biennially.

8.2 Signature of Documents

8.2.1 Where a signature is required for any document connected with legal proceedings involving the NWSSP, it shall normally be signed by the Managing Director, except where the SSPC has been otherwise directed to allow or require another person to provide a signature.

8.2.2 The Managing Director or nominated officers may be authorised by the SSPC to sign on behalf of the NWSSP any agreement or other document (not required to be executed as a deed) where the subject matter has been approved by the SSPC.

8.3 Custody of Seal

8.3.1 The Common Seal of NWSSP's host is kept securely by the Board Secretary.at Velindre University NHS Trust.

9   GAINING ASSURANCE ON THE CONDUCT OF SHARED SERVICES PARTNERSHIP COMMITTEE BUSINESS

The SSPC shall set out explicitly, within a Risk and Assurance Framework, how it will gain assurance, and how it will in turn provide assurance to Velindre on the conduct of SSPC business, its governance and the effective management of risks in pursuance of its aims and objectives. It shall set out clearly the various sources of assurance, and where and when that assurance will be provided, in accordance with any requirements determined by the Welsh Ministers.

The SSPC shall ensure that its assurance arrangements are operating effectively, advised by Velindre's Audit Committee.

9.1   The role of Internal Audit in Providing Independent Internal assurance

9.1.1   The SSPC shall ensure the effective provision of an independent internal audit function as a key source of its internal assurance arrangements, in accordance with NHS Wales Internal Auditing Standards and any other requirements determined by the Welsh Ministers.

9.1.2   The SSPC shall set out the relationship between the Head of Internal Audit (HIA), the Audit Committee (or equivalent) and the SSPC. It shall:

- Approve the Internal Audit Charter (incorporating the definition of internal audit) and adopt the Internal Auditing Standards (incorporating the code of ethics);

- Ensure the HIA communicates and interacts directly with the Audit Committee facilitating direct and unrestricted access;

- Require Internal Audit to confirm its independence annually; and

- Ensure that the Head of Internal Audit reports periodically to the SSPC on its activities, including its purpose, authority, responsibility and performance. Such reporting will include governance issues and significant risk exposures.

9.2   Reviewing the performance of the Shared Services Partnership Committee, its sub- Committees, Expert Panel and Advisory Groups

9.2.1   The SSPC shall introduce a process of regular and rigorous self assessment and evaluation of its own operations and performance and that of its Sub-Committees, Expert Panel and any other Advisory Groups. Where appropriate, the SSPC may determine that such evaluation may be independently facilitated.

9.2.2 Each Sub-Committee and, where appropriate, Expert Panel and any other Advisory Group must also submit an annual report to the SSPC through the Chair within 1 month of the end of the reporting year setting out its activities during the year and including the review of its performance and that of any sub-groups it has established.

9.2.3 The SSPC shall use the information from this evaluation activity to inform:

- the ongoing development of its governance arrangements, including its structures and processes;
- its Committee Development Programme, as part of an overall Organisation Development framework; and
- inform its Partners through its annual report of its alignment with the Assembly Government's Citizen Centred Governance Principles, completed as part of its ongoing review and reporting arrangements.

9.3 External Assurance

9.3.1 The SSPC shall ensure it develops effective working arrangements and relationships with those bodies that have a role in providing independent, external assurance to the public and others on its operations, e.g. the Wales Audit Office and Healthcare Inspectorate Wales.

9.3.2 The SSPC may be assured, from the work carried out by external audit and others, on the adequacy of its own assurance framework, but that external assurance activity shall not form part of, or replace its own internal assurance arrangements, except in relation to any additional work that the SSPC itself may commission specifically for that purpose.

9.3.3 The SSPC shall keep under review and ensure that, where appropriate, the SSPC implements any recommendations relevant to its business made by the National Assembly for Wales Commission Audit and Risk Assurance Committee, the Public Accounts Committee or other appropriate bodies.

9.3.4 The SSPC shall provide the Auditor General for Wales with assistance, information and explanation which the Auditor General thinks necessary for the discharge of their statutory powers and responsibilities under section 145 of and paragraph 17 to Annexe 8 to the Government of Wales Act 2006 (C.42).

10   DEMONSTRATING ACCOUNTABILITY

10.1.1 Taking account of the arrangements set out within these Shared Services SOs, the SSPC shall demonstrate to its Partners, citizens and other stakeholders and to Velindre, as host, a clear framework of accountability within which it:

- conducts its business internally;
- works collaboratively with NHS colleagues, Partners, service providers and others; and
- responds to the views and representations made by those who represent the interests of the citizens it serves and its own Shared Services officers.

10.1.2 The SSPC shall also facilitate effective scrutiny of its operations through the publication of regular reports on activity and performance, including publication of an annual report.

10.1.3 The SSPC shall also facilitate effective scrutiny of NWSSP's operations through the publication of regular reports on activity and performance, including publication of an Annual Review document providing a summary of annual performance.

10.1.4 The SSPC shall ensure that within the Shared Services staff, individuals at all levels are supported in their roles, and held to account for their personal performance through effective performance management arrangements.

11   SUPPORT FOR THE SHARED SERVICES PARTNERSHIP COMMITTEE

11.1.1 The Head of Finance and Business Improvement, on behalf of the SSPC Chair, will ensure that the SSPC is properly equipped to carry out its role by:

- overseeing the process of nomination and appointment to the SSPC;
- co-ordinating and facilitating appropriate induction and organisational development activity;
- ensuring the provision of governance advice and support to the SSPC Chair on the conduct of its business and its relationship with its Partners, Velindre, as the host and others;
- ensuring the provision of secretariat support for SSPC meetings;
- ensuring that the SSPC receives the information it needs on a timely basis;
- ensuring strong links to communities/groups;

- ensuring an effective relationship between the SSPC and Velindre as its host;
- facilitating effective reporting to each HB, Trust and Special Health Authority;

thereby enabling each HB, Trust and Special Health Authority's Board to gain assurance on the conduct of business carried out by SSPC on their behalf.

12   REVIEW OF STANDING ORDERS

12.1.1 These Shared Services SOs shall be reviewed annually by the SSPC, which shall report any proposed amendments to the Velindre Board for consideration.   The requirement for review extends to all documents having the effect as if incorporated in Shared Services SOs, including the Equality Impact Assessment.

MODEL SCHEME OF RESERVATION AND DELEGATION OF POWERS

This Annexe forms part of, and shall have effect as if incorporated in the Shared Services Partnership Committee Standing Orders

MODEL SCHEME OF RESERVATION
AND DELEGATION OF POWERS

As set out in Standing Order 2, the SSPC - subject to any directions that may be made by the Welsh Ministers - shall make appropriate arrangements for certain functions to be carried out on its behalf so that the day to day business of the NWSSP may be carried out effectively, and in a manner that secures the achievement of the organisation's aims and objectives. The SSPC may delegate functions to:

i   A Committee, e.g., Audit Committee;
ii A sub-Committee,
iii A joint-Committee or joint sub-Committee, e.g., with other HBs established to take forward matters relating to specialist services; and
iv Officers of NWSSP (who may, subject to the SSPC'S authority, delegate further to other officers and, where appropriate, other third parties, e.g. shared/support services, through a formal scheme of delegation)

and in doing so, must set out clearly the terms and conditions upon which any delegation is being made. These terms and conditions must include a requirement that the SSPC is notified of any matters that may affect the operation and/or reputation of NWSSP.

The Board's determination of those matters that it will retain, and those that will be delegated to others are set out in the following:

- Annexe of matters reserved to SSPC;
- Scheme of delegation to Committees and others; and
- Scheme of delegation to officer.

all of which form part of the SSPC's SOs

DECIDING WHAT TO RETAIN AND WHAT TO DELEGATE: GUIDING PRINCIPLES

The SSPC will take full account of the following principles when determining those matters that it reserves, and those which it will delegate to others to carry out on its behalf:

- Everything is retained by the SSPC unless it is specificallydelegated in accordance with the requirements set out in SOs or SFIs
- The SSPC must retain that which it is required to retain (whether by statute or as determined by the Welsh Ministers) as well as that which it considers is essential to enable it to fulfil its role in setting the organisation's direction, equipping the organisation to deliver and ensuring achievement of its aims and objectives through effective performance management
- Any decision made by the Board to delegate functions must be based upon an assessment of the capacity and capability of those to whom it is delegating responsibility
- The SSPC must ensure that those to whom it has delegated powers (whether a Committee, partnership or individuals) remain equipped to deliver on those responsibilities through an ongoing programme of personal, professional and organisational development
- The SSPC must take appropriate action to assure itself that all matters delegated are effectively carried out
- The framework of delegation will be kept under active review and, where appropriate, will be revised to take account of organisational developments, review findings or other changes
- Except where explicitly set out, the SSPC retains the right to decide upon any matter for which it has responsibility, even if that matter has been delegated to others
- The SSPC may delegate authority to act, but retains overall responsibility and accountability
- When delegating powers, the SSPC will determine whether (and the extent to which) those to whom it is delegating will, in turn, have powers to further delegate those functions to others.

HANDLING ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS: WHO DOES WHAT

The Shared Services Partnership Committee (SSPC)

The SSPC will formally agree, review and, where appropriate revise Annexes of reservation and delegation of powers in accordance with the guiding principles set out earlier.

The Managing Director

The Managing Director will propose a Scheme of Delegation to Officers, setting out the functions they will perform personally and which functions will be delegated to other officers. The SSPC must formally agree this scheme.

In preparing the scheme of delegation to officers, the Managing Director will take account of:

- The guiding principles set out earlier (including any specific statutory responsibilities designated to individual roles);
- Their personal responsibility and accountability to the Chief Executive,
- NHS Wales in relation to their role as designated Accountable Officer; and
- Associated arrangements for the delegation of financial authority to equip officers to deliver on their delegated responsibilities (and set out in SFIs).

The Managing Director may re-assume any of the powers they have delegated to others at any time.

Board Secretary Governance Support/The Head of Finance and Business Improvement
The Board Secretary Governance Support/the Head of Finance and Business Improvement will support the SSPC in its handling of reservations and delegations by ensuring that:

- A proposed Annexe of matters reserved for decision by the SSPC is presented to the SSPC for its formal agreement;
- Effective arrangements are in place for the delegation of NWSSP's functions within the organisation and to others, as appropriate; and
- Arrangements for reservation and delegation are kept under review and presented to the SSPC, Audit Committee and Velindre Board for revision and approval, as appropriate.

The Velindre University NHS Trust Audit Committee for NWSSP

The Velindre University NHS Trust Audit Committee for NWSSP will provide assurance to the SSPC and Velindre University NHS Trust Board of the effectiveness of its arrangements for handling reservations and delegations.

Individuals to who powers have been delegated will be personally responsible for:

- Equipping themselves to deliver on any matter delegated to them, through the conduct of appropriate training and development activity;and
- Exercising any powers delegated to them in a manner that accords with the Velindre University NHS Trust's values and standards of behaviour.

Where an individual does not feel that they are equipped to deliver on a matter delegated to them, they must notify the Board Secretary providing Governance Support to the SSPC of their concern as soon as possible in so that an appropriate and timely decision may be made on the matter.

In the absence of an officer to whom powers have been delegated, those powers will normally be exercised by the individual to whom that officer reports, unless the SSPC has set out alternative arrangements.

SCOPE OF THESE ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS

The Scheme of Delegation to officers referred to here shows only the "top level" of delegation within NWSSP. The Scheme is to be used in conjunction with the system of control and other established procedures within NWSSP.

SECTION 1

ANNEXE OF MATTERS RESERVED TO THE SSPC[3]

	SSPC	AREA	DECISIONS RESERVED TO THE SSPC
1	FULL	GENERAL	The SSPC may determine any matter for which it has statutory or delegated authority, in accordance with NWSSP SOs
2	FULL	GENERAL	The SSPC must determine any matter that will be reserved to the whole SSPC in accordance with statutory and Welsh Government guidance.
3	FULL	OPERATING ARRANGEMENTS	Adopt the standards of governance and performance (including the quality and safety of healthcare, and the patient experience) to be met by the SSPC, including standards/requirements determined by professional bodies/others, e.g., Royal Colleges
4	FULL	OPERATING ARRANGEMENTS	Approve, vary and amend: ▪ NWSSP SOs ; ▪ NWSSP SFIs; ▪ Annexe of matters reserved to the SSPC; ▪ Scheme of delegation to SSPC others; and ▪ Scheme of delegation to officers. In accordance with any directions set by the Welsh Ministers.

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[3] Any decision to reserve a matter, and the manner in which that retained responsibility is carried out will be in accordance with any regulatory and/or Welsh Government requirements

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5	FULL	OPERATING ARRANGEMENTS	Approve the SSPC Values and Standards of Behaviour framework, including NWSSP's mission statement.
6	FULL	OPERATING ARRANGEMENTS	Approve the SSPC framework for performance management, risk and assurance
7	FULL	OPERATING ARRANGEMENTS	Approve the introduction or discontinuance of any significant activity or operation. Any activity or operation shall be regarded as significant if the SSPC determines it so based upon its contribution/impact on the achievement of the SSPC's aims, objectives and priorities
8	FULL	OPERATING ARRANGEMENTS	Ratify any urgent decisions taken by the Chair and the Managing Director in accordance with NWSSP Standing Order requirements
9	FULL	OPERATING ARRANGEMENTS	Ratify in public session any instances of failure to comply with NWSSP SOs
10	FULL	OPERATING ARRANGEMENTS	Approve procedures for dealing with complaints and incidents.
11	FULL	OPERATING ARRANGEMENTS	Approve individual compensation payments in line with NWSSP SFIs
12	FULL	OPERATING ARRANGEMENTS	Approve individual cases for the write off of losses or making of special payments above the limits of delegation to the Managing Director and officers
13	FULL	OPERATING ARRANGEMENTS	Approve proposals for action on litigation on behalf of the NWSSP
14	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the appointment, appraisal, discipline and dismissal of the Management Team and any other SMT level appointments, e.g., the Committee Secretary

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15	FULL	ORGANISATION STRUCTURE & STAFFING	Require, receive and determine action in response to the declaration of NWSSP members' interests, in accordance with advice received, e.g. From Audit Committee
14	FULL	ORGANISATION STRUCTURE & STAFFING	Approve, [arrange the] review, and revise the NWSSP's top level organisation structure and SSPC policies
15	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, [arrange the] review, revise and dismiss SSPC sub-Committees, including any joint sub-Committees directly accountable to the SSPC
16	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss the Chair and members of any sub-Committee, joint sub-Committee or Group set up by the SSPC
17	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss individuals appointed to represent the SSPC on outside bodies and groups
18	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the terms of reference and reporting arrangements of all sub-Committees, joint sub-Committees and groups established by the SSPC
19	FULL	STRATEGY & PLANNING	Determine the SSPCs strategic aims, objectives and priorities
20	FULL	STRATEGY & PLANNING	Approve the SSPCs Integrated Medium Term Plan, including the balanced Medium Term Financial Plan
21	FULL	STRATEGY & PLANNING	Approve the SSPCs Risk Management Strategy, including risk appetite, risk tolerance levels and treatment plans and managing risks in relation to public confidence
22	FULL	STRATEGY & PLANNING	Approve the SSPCs citizen engagement and involvement strategy, including communication

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23	FULL	STRATEGY & PLANNING	Approve the SSPCs Committee's partnership and stakeholder engagement and involvement strategies
24	FULL	STRATEGY & PLANNING	Approve NWSSP's key strategies and programmes related to: ▪ Workforce and Organisational Development ▪ Infrastructure, including IM &T, Estates and Capital (including major capital investment and disposal plans) ▪ Primary Care ▪ Communications & Engagement
25	FULL	STRATEGY & PLANNING	Approve the SSPCs budget and financial framework (including overall distribution of year end surplus/deficits including risk sharing agreements
26	FULL	STRATEGY & PLANNING	Approve individual contracts (other than NHS contracts) above the limit delegated to the Managing Director set out in the NWSSP SFIs
27	FULL	PERFORMANCE & ASSURANCE	Approve the SSPCs audit and assurance arrangements
28	FULL	PERFORMANCE & ASSURANCE	Receive reports from the SSPCs NWSSP Directors on progress and performance in the delivery of the SSPCs strategic aims, objectives and priorities and approve action required, including improvement plans

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29	FULL	PERFORMANCE & ASSURANCE	Receive assurance reports from the SSPCs sub-Committees, groups and other internal sources on the Joint Committee's performance and approve action required, including improvement plans
30	FULL	PERFORMANCE & ASSURANCE	Receive reports on the SSPC's performance produced by external regulators and inspectors (including, e.g., WAO, HIW, etc) that raise issue or concerns impacting on the NWSSP's ability to achieve its aims and objectives and approve action required, including improvement plans, taking account of the advice of SSPC sub-Committees (as appropriate)
31	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion of the SSPCs Head of Internal Audit and approve action required, including improvement plans
32	FULL	PERFORMANCE & ASSURANCE	Receive the annual management letter from the SSPC's external auditor and approve action required, including improvement plans
33	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion on the SSPC's performance against the Health and Care Standards for Wales and approve action required, including improvement plans
34	FULL	PERFORMANCE & ASSURANCE	Approval of the Risk and Assurance Framework
35	FULL	REPORTING	Approve the SSPC's Reporting Arrangements, including reports on activity and performance locally, to citizens, partners and stakeholders and nationally to the Welsh Government
36	FULL	REPORTING	Receive, approve and ensure the publication of SSPC reports, including its Annual Report

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SECTION 2

ANNEXE OF DELEGATION OF POWERS TO COMMITTEES AND OTHERS

Under Standing Order Section 2 it provides that the SSPC may delegate powers to SSPC Committees, Sub Committees and others. In doing so, the SSPC has formally determined:

- the composition, terms of reference and reporting requirements in respect of any such Committees;
- the governance arrangements, terms and conditions and reporting requirements in respect of any delegation to others;

in accordance with any regulatory requirements and any directions set by the Welsh Ministers.

Subject to Clauses within the Trust Standing Orders and to such directions as may be given by the Welsh Government, the SSPC may appoint ad hoc committees of the NWSSP whose membership can be wholly or partly of the Chairman and Directors of the NWSSP or persons who are not Directors of the NWSSP.

A committee appointed under this regulation may subject to such directions as may be given by the Welsh Government or the SSPC appoint ad hoc Sub-Committees consisting wholly or partly of members of the committee (whether or not they are Directors of NWSSP) or wholly of persons who are not members of the committee (whether or not they include Directors of the NWSSP).

The Standing Orders, with appropriate alterations, apply to a committee or Sub-Committee and to a committee or Sub-Committee as they apply to the SSPC and apply to a member of such committee or subcommittee (whether or not (s)he is a Director of the NWSSP) as it applies to a Director of the NWSSP.

The SSPC may make, vary and revoke Standing Orders relating to the quorum, proceedings and place of meetings of a committee or Sub-Committee but, this shall be carried out in accordance with the identified procedures laid down for these changes as outlined in these Standing Orders.

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The scope of the powers delegated, together with the requirements set by the SSPC in relation to the exercise of those powers are as set out in i) Committee terms of reference, and ii) Formal arrangements for the delegation of powers to others. Collectively, these documents form the SSPC's Scheme of Delegation to Committees.

The SSPC has delegated a range of its powers to the following sub-Committees and others:

- Welsh Risk Pool Committee
- Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership

Summary of matters delegated to Sub- Committees:

Sub-Committee: Welsh Risk Pool Committee
Delegated Matters:
The Sub-Committee will: 1. To approve the payment and reimbursement of claims and impose penalties in accordance with the WRPS Claims Reimbursement Procedure. 2. To enact the risk sharing arrangements as agreed by the NWSSP. 3. To receive and consider the annual statements of account. 4. To receive and consider the annual assessment reports and to approve recommendations for any necessary action. 5. To receive and consider the outcome of claims reviews and to approve recommendations for any necessary action. 6. To agree on a communication strategy across NHS Wales to ensure that learning from events is captured and communicated appropriately. 7. To consider advice and guidance on matters of indemnity which are novel, contentious or expose NHS Wales to significant risk. 8. To request claims reviews where the WRPC considers appropriate in order that lessons can be learnt on an All Wales basis. 9. To ensure that arrangements are in place to enable the reporting of key issues and trends via the National Quality and Safety Forum.

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Sub-Committee: Velindre University NHS Trust Audit Committee for NWSSP
Delegated Matters:

The Committee will:

1. Approve any variation to, review annually and monitor compliance with Standing orders and Standing Financial Instructions.
2. Review and report to the SSPC upon the adequacy of the arrangements for declaring, registering and handling interests at least annually.
3. Receive a full report of all offers of Gifts and Hospitality recorded by the NWSSP and review the adequacy of NWSSP's arrangements for dealing with offers of gifts and hospitality.
4. Advise the Velindre Board on the adequacy that its assurance arrangements are operating effectively.
5. Review and approve Internal Audit Strategy, Charter, operational plan, programme of work.
6. Review effectiveness of internal audit.
7. Review policies and procedures in respect of fraud and bribery set out in the Welsh Government Directions and to receive the Counter Fraud Annual Report and Plan.
8. Approve write off of losses or making of special payments within delegated limits determined by the Welsh Ministers.
9. Review the establishment and maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities.
10. Review the assurance gained through the development of a Risk and Assurance Framework and to consider gaps in control and gaps in assurance and report results to the Board.
11. Review the adequacy of all risk and control related disclosure statements, including the Annual Governance Statement.
12. Receive quarterly assurance of Post Payment Verification (PPV) reports.

The scope of the powers delegated, together with the requirements set by the SSPC in relation to the exercise of those powers are as set out in i) Committee terms of reference, and ii) formal arrangements for the delegation of powers to others. Collectively, these documents form the NWSSP's Scheme of Delegation to Committees.

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SECTION 3

ANNEXE OF SCHEME OF DELEGATION TO NWSSP DIRECTORS AND OFFICERS

The SSPC SOs, alongside the Trust SOs and the SFIs specify certain key responsibilities of the Chief Executive Velindre University NHS Trust, the Managing Director of Shared Services, Directors, Heads of Service and other officers. The Chief Executive and Managing Director of Shared Services Job Descriptions, together with their Accountable Officer Memorandums set out their specific responsibilities, and the individual job descriptions determined for Directors and Heads of Service level posts also define in detail the specific responsibilities assigned to those post holders. These documents, together with the Annexe of additional delegations below and the associated financial delegations set out in the Velindre Trust SFIs form the basis of the Scheme of Delegation to Officers.

Standing Orders – List of Delegated Matters

S.O Ref	DELEGATED MATTER	DELEGATED TO	OPERATIONAL RESPONSIBILITY
GENERAL			
	Non Compliance and variation of standing orders	Head of Finance and Business Improvement	Board Secretary Support (Director of Corporate Service & Governance/Board Secretary Support Cwm Taf UHB)
	Final interpretation of Standing Orders	Chair	
	Responsibility for providing advice to the Board on all aspects of governance/committee services	Head of Finance and Business Improvement	
CHAIR'S ACTION ON URGENT MATTERS			
SO 2.1	Use of Chair's Action and onward reporting to	Chair & Managing Director	Board Secretary Support (Director of Corporate Service

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			& Governance/Board Secretary Support Cwm Taf UHB
DELEGATION TO OFFICERS			
SO 2.3.1	Compilation of Scheme of Delegation for functions delegated to Managing Director for consideration and approval by the SSPC	Managing Director	Head of Finance and Business Improvement
SO 2.3.1	Delegation of functions within Directorates/departments/localities in line with the framework established by the Managing Director and agreed by the SSPC	Directors	Directors
WORKING IN PARTNERSHIP			
SO 5.0.2	Identification and engagement with all key partners and regular review of effectiveness	Chair	IMTP Lead
MEETINGS			
SO 6.2	Development of the Annual Plan of SSPC Business	Chair/Managing Director	Head of Finance and Business Improvement
SO 6.3	Call meetings of the SSPC	Chair/Managing Director	
SO 6.4	Preparation of SSPC meetings	Chair/Managing Director	Head of Finance and Business Improvement
SO 6.5	Report decisions made & review NWSSP business conducted in private session	Chair	Head of Finance and Business Improvement

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SO 6.5	Chair SSPC meetings & associated responsibilities	Chair	Head of Finance and Business Improvement
SO 6.6	A record of proceedings of SSPC meetings	Chair (Vice Chair in Chair's absence)	Chair (Vice Chair in Chair's absence) / Head of Finance and Business Improvement
VALUES AND STANDARDS OF BEHAVIOUR			
SO 7.1	Establishment, maintenance and annual review of a Register of Interests declared by all SSPC members	Managing Director	Head of Finance and Business Improvement
SO 7.6	Establishment, maintenance and annual review of a Register of Gifts and Hospitality in respect of SSPC business for all SSPC members	Chair	Head of Finance and Business Improvement
SO 7.6	Establishment maintenance and annual review of a Register of Gifts and Hospitality for NWSSP Officers	Managing Director/Directors	Head of Finance and Business Improvement
SIGNING AND SEALING DOCUMENTS			
SO 8.1	Establishment, maintenance and bi-annual reporting of a Register of Sealings undertaken by the Velindre NHS Trust Board for NWSSP business	Managing Director	Head of Finance and Business Improvement

This scheme only relates to matters delegated by the Velindre Board and the SSPC to the Managing Director and Directors, together with certain other specific matters referred to in SFIs. Each Director is responsible for delegation within their department. They shall produce a scheme of delegation for matters within their department, which shall also set out how departmental budget and procedures for approval of expenditure are delegated.

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Annexe of Additional Delegations

Delegated matter	High level delegation	Further Delegation Allowable?	Control Documents required to be in place prior to further delegation of matters
Management of budgets	Managing Director of Shared Services / NWSSP Director of Finance	Yes	Financial delegations set out in Sections 4-6. Further delegations subject to authorisation matrix.
Management of cash and bank accounts	Trust Director of Finance	Yes	Authorisation matrix. Financial policies & procedures
Approval of petty cash	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. Financial policies & procedures
Engagement of staff within funded establishment	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Engagement of staff outside funded establishment	Managing Director of Shared Services	Nominated deputy	In absence of Director of Shared Services
Staff re-grading and awarding of incremental points	NWSSP Director of W&OD	Yes	Written authority to suitably qualified HR staff
Approval of overtime	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of annual leave	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of compassionate leave	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of maternity and paternity leave	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of carers leave	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures

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Approval of leave without pay	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Extension of sick leave on full or ½ pay • Directors • Other staff	Managing Director of Shared Services NWSSP Directors	No Yes	Authorisation matrix. HR policies & procedures
Approval of study leave < £2k	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of study leave > £2k	Managing Director NWSSP/ NWSSP Director of W&OD	No	
Approval of relocation costs	NWSSP Director of W&OD	Yes	Authorisation matrix. HR policies & procedures
Approval of lease cars & phones • NWSSP Directors • Other staff	Managing Director of Shared Services NWSSP Directors	No No	
Approval of redundancy, early retirement and ill-health retirement	Managing Director of Shared Services	Yes	Authorisation matrix. HR policies & procedures
Dismissal of staff	Managing Director of Shared Services and NWSSP Director of W&OD	Yes	Authorisation matrix. HR policies & procedures
Approval to procure goods and services within budget	NWSSP Directors / Heads of Service	Yes	Standing financial instructions. Authorisation matrix. Procurement & finance policies & procedures.
Approval to procure goods and services outside of budget that would result in a budgetary overspend	Managing Director of Shared Services	Nominated deputy	In absence of the Director of Shared Services

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Approval to commission services from other NHS bodies	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to commission services from voluntary sector	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to commission services from private and independent providers	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to enter into pooled budget arrangements under section 33 of the NHS (Wales) Act 2006	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures
Management and Control of Stocks	NWSSP Director (Head of Procurement Services)/ NWSSP DoF	Yes	Authorisation matrix
Work in relation to counter fraud and corruption	Trust Director of Finance/ NWSSP DoF	Yes	Authorisation matrix Fraud & Corruption policies and procedures
Authorisation of sponsorship	Managing Director of Shared Services	No	Sponsorship policies & procedures
Approval of research projects	Managing Director of Shared Services	Yes	Research policies & procedures
Management of complaints	NWSSP Director of Finance	No	Complaints policies & procedures
Provision of information to the press, public and other external enquiries	NWSSP Directors / Trust Board Secretary	Yes	Communication policies & procedures
Approval for use of charitable funds	Trust Chief Executive	Yes	Authorisation matrix. Financial policies & procedures
Approval to condemn and dispose of equipment	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. Disposal policies & procedures
Approval of losses and compensation (except for personal effects)	Managing Director of Shared Services	No	Within authorised limits set by WAG.

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Approval of compensation for staff and patients personal effects • Up to £1000 • £1,000 > £10,000 • £10,000 > £50,000 • Over £50,000	Trust Small Claims Panel Managing Director of Shared Services Approval by WAG	No No No No	
Approval of clinical negligence and personal injury claims	Trust Director of Nursing	Yes	Authorisation matrix and within limits set by WAG.
Approval of capital expenditure	Managing Director of Shared Services / NWSSP Director of Finance	Yes	High level delegation set out in Section 4. Further delegations subject to authorisation matrix
Approval to engage external building and other professional contractors	NWSSP Director of Finance	Yes	Authorisation matrix. Capital policies & procedures.
Approval to seek professional advice and ensure the implementation of any statutory and regulatory requirements	Managing Director of Shared Services	Yes	Financial delegations set out in Section 4. Further delegations subject to authorisation matrix
The negotiation and agreement of service contracts / long term agreements	Managing Director of Shared Service & NWSSP Director of Finance	Yes	Further delegations (re: negotiation only – not agreement) to Heads of Service.

This scheme only relates to matters delegated by the SSPC to the Managing Director of Shared Services and the NWSSP Directors and Heads of Service, together with certain other specific matters referred to in SFIs. Each NWSSP Director and Head of Service is responsible for delegation within their department. They shall produce a Scheme of Delegation for matters within their department, which shall also set out how departmental budget and procedures for approval of expenditure are delegated.

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SECTION 4
ANNEXE OF DELEGATION OF BUDGETARY RESPONSIBILITY

Section 5 of the Velindre University NHS Trust Standing Financial Instructions detail the requirements for Budgetary Control, including:

5.1	Budget Setting
5.2	Budgetary Delegation
5.3	Budgetary Control and Reporting

Paragraphs 5.2.1 to 5.2.4 detail the specific requirements on Budgetary Delegation. In line with 5.2.1 the Income and Expenditure budgetary responsibility for the NHS Wales Shared Services Partnership has been delegated to the Managing Director of Shared Services.

The Managing Director of Shared Services and other Shared Service Directors will, in turn, delegate budgetary responsibility to other Heads of Service and managers. The detailed Annexe of this second tier delegation will be reviewed, revised and reapproved on an annual basis by the Managing Director of Shared Services and the Senior Management Team as part of the annual Financial Strategy and Budget Setting process. Within the budgetary delegation there are delegated powers of budget virement:

- between Divisions must be approved by the Managing Director of Shared Services.
- between budgets within the same Division must be approved by the relevant Director / Heads of Service.
- between staff and non-staff within the same budget must be approved by the Budget Holder.

These delegated powers of virement, from the Managing Director of Shared Services to Heads of Service and Budget Holders, assume that the NWSSP is achieving its financial targets and can be revised, in year, by the Director of Shared Services in the light of adverse financial performance. Budget virements within Divisions can be authorised by the Head of Service and Director of Finance up to the limit of £60,000.

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SECTION 5

NHS WALES SHARED SERVICES PARTNERSHIP SCHEME OF BUDGETARY DELEGATION

Financial Limits (All Values exclude VAT)	Revenue	Capital	Charitable Funds	Education & Training Contracts
	£000	£000	£000	£m
Velindre - Corporate Services:				
Trust Board	No Limit	No Limit	0	
Charitable Funds Committee	0	0	No Limit	
NWSSP (excluding all Wales Procurement Contracts):				
Managing Director/NWSSP Chairman	200	750*	0	
Managing Director of Shared Services	100	100	N/A	£5m
Director of Finance and Corporate Services	80	80	N/A	£2m
Director of Workforce and OD	50	50	N/A	N/A
Service Directors/Heads of Services (within own area)	25	0	N/A	N/A
Service Directors/Heads of Service's Nominee (within Agreed area)	10	10	N/A	N/A
Heads of Function (within own area)	7.5	7.5	N/A	N/A
Head of Financial Sustainability and Improvement	10	10	N/A	N/A
Head of Financial Management	10	10	N/A	N/A
Delegated Budget Holders (within own area) Level 1	5	0	N/A	N/A
Delegated Budget Holders (within own area) Level 2	1	0	N/A	N/A
Notes:				

Along with approval of Shared Services Partnership Committee

Franking Machine and Secure Printing Contract within Primary Care Services has a higher limit for Service Directors/Head of Service this is 20k and for Head of Function it is £10k.

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Welsh Infected Blood Support Services Limits

Scheme Designation	Payments to Claimants
Managing Director/NWSSP Chairman	Over £100k
Managing Director	Up to £100k
Director of Finance and Corporate Services	Up to £80k
Head of Service	Up to £50k
Head of Function	Up to £10k

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Legal & Risks Services Limits

Scheme Designation	Reimbursement of claims following Advisory Board approval	WRP Managed Claims (Health Authority and Powys THB)
Managing Director of Shared Services/NWSSP Chairman	Over £2m	Over £2m
Managing Director of Shared Services	Up to £2m	Up to £2m
Director of Finance and Corporate Services	Up to £1m	Up to £1m
Director - Legal and Risk Services	Up to £500k	Up to £500k
Head of WRP Finance	Up to £100k	Up to £100k
WRP Claims Support		£20k
Note:		
All reimbursement claims are reviewed by the Advisory Board prior to approval and claims above £1m are reviewed by Welsh Government prior to the Advisory Board. Claims above £2m will also be signed by the Managing Director of Shared Services and NWSSP Chairman.		
Periodical Payments:		
Head of WRP Finance - authorises new periodical payment. Head of WRP Finance - authorises payment Annexes.		

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Procurement Services Limits

Scheme Designation	*Contracts for and on behalf of NHS Wales	NWSSP Stock Requisitions and Invoices	** NWSSP Stock Write offs
Managing Director of Shared Services / NWSSP Chair (with Committee support)	Over £1m	Over £2m	Over £50k
Managing Director of Shared Services	Up to £1m	Up to £100k	Up to £50k
NWSSP Director of Finance and Corporate Services	Up to £750k	Up to £60k	Up to £25k
Director of Procurement Services	Up to £750k	Up to £50k	Up to £25k
Senior Manager Procurement Services (Logistics)		Up to £25k	Up to £10k
Regional Supply Chain Manager			Up to £5k
Warehouse Manager (Bridgend/Denbigh) / Storage and Distribution Manager (Cwmbran)			Up to £1k
Assistant Warehouse Manager (Bridgend/Denbigh) / Shift Manager (Cwmbran)			Up to £1k

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KEY GUIDANCE, INSTRUCTIONS AND OTHER RELATED DOCUMENTS

This Annexe forms part of, and shall have effect as if incorporated in the Shared Services Partnership Committee Standing Orders

Shared Services Partnership Committee Framework

The SSPC's governance and accountability framework comprises these Shared Services SOs, incorporating Annexes of Powers reserved for the SSPC and Delegation to others, together with the following documents agreed by the SSPC.

These documents must be read in conjunction with the Shared Services SOs and will have the same effect as if the details within them were incorporated within the Shared Services SOs themselves.

- Standing Financial Instructions (SFIs)
- Values and Standards of Behaviour Framework
- Risk and Assurance Framework
- SSPC Annual Plan of Committee Business
- Welsh Language Scheme
- Complaints Management Protocol
- Annual Governance Statement
- Annual Review

These documents may be accessed by viewing NWSSP's website (www.nwssp.wales.nhs.uk/opendoc/326169).

NHS Wales Framework

Full, up to date details of the guidance, instructions and other documents that together make up the framework of governance, accountability and assurance for the NHS in Wales are published on the NHS Wales Governance e-Manual which can be accessed at http://www.wales.nhs.uk/governance-emanual/. Directions or guidance on specific aspects of SSPC business are also issued in hard copy, usually under cover of a Ministerial Letter.

SHARED SERVICES PARTNERSHIP COMMITTEE SUB-COMMITTEE ARRANGEMENTS

This Annexe forms part of, and shall have effect as if incorporated in the SSPC Standing Orders

1. *Welsh Risk Pool Committee - Terms of Reference*

2. *Velindre University NHS Trust Audit Committee For NHS Wales Shared Service Partnership - Terms of Reference*

1. Background

1.01 NHS Wales Shared Service Partnership (NWSSP) has responsibility for the administration of the Welsh Risk Pool Service including the management of the Welsh Risk Pool Budget.

1.02 The aim of the WRPS budget management is to align the financial governance relating to claims and Redress cases with the corporate and quality governance agenda.

1.03 The Welsh Risk Pool Services has responsibility for reimbursement of claims over £25,000 and reimbursement of permitted costs and damages arising from Redress cases. It is also required to have effective processes for ensuring that NHS Wales learns from events to limit the risk of recurrence and improve the quality and safety for both patients and staff.

1.04 In line with standing orders the Committee has resolved to establish a sub-committee to be known as the Welsh Risk Pool Committee (WRPC). The WRPC is a sub-committee of the NWSSP Committee and has no executive powers, other than those specifically delegated in these Terms of Reference.

2. Membership

2.01 The membership of the WRPC shall be determined by the NWSSPC, taking account of the balance of skills and expertise necessary to deliver the WRPC's remit and subject to any specific requirements or directions made by the Welsh Government.

2.02 The WRPC comprises of representation from senior NHS professionals from Trusts, Local Health Boards, Legal & Risk Services and the Welsh Government. The membership includes:

Chairman: Chairman of NWSSP

Members: Managing Director, NWSSP
                      Director Legal & Risk Services NWSSP
                      Director of Finance & Corporate Services NWSSP
                      Health Board or Trust Chair (1)
                      Health Board or Trust Chief Executive (1)

Health Board or Trust Medical Director (1)
Health Board or Trust Director of Nursing (1)
Health Board or Trust Director of Finance (1)
Health Board Director of Therapies & Health Science (1)
Health Board or Trust Chair Audit Committee Chair (1)
Health Board or Trust Board Secretary (1)
Welsh Government (2)

In attendance:
NWSSP – WRPS Head of Finance
NWSSP - WRPS Head of Safety and Learning
WRPS Operations Team
WRPS Safety and Learning Team

2.03   Other individuals may be involved at the discretion of the Chairman (e.g. representatives from NSAGs as appropriate). The WRPC shall appoint a vice chairman from the agreed membership. The vice-chair shall deputise for the Chair in their absence for any reason.

2.04   In the event that a member of the WRPC is unable to attend a meeting he/she is required to seek a suitable person to attend on their behalf.

3. Dealing with Members' interests during meetings

3.01   The Chair, advised by the Committee Secretariat, must ensure that the WRPC's decisions on all matters brought before it are taken in an open, balanced, objective and unbiased manner. In turn, individual members must demonstrate, through their actions, that their contribution to the WRPC's decision making is based upon the best interests of the NHS in Wales.

3.02   Where individual members identify an interest in relation to any aspect of business set out in the meeting agenda, that member must declare an interest at the start of the meeting. Members should seek advice from the Chair, through the Committee Secretariat before the start of the meeting if they are in any doubt as to whether they should declare an interest at the meeting. All declarations of interest made at a meeting must be recorded in the minutes. It is responsibility of the chair, on behalf of the Committee, to determine the action to be taken in response to the declaration of interest, this can include excluding the member, where they have a direct or indirect financial interest or participating fully in the discussion but taking no part in the WRPC decision.

Quorum

4.01   A quorum shall be the Chairman or Vice Chair and at least 4 other representatives, 2 of which must be officer members of shared services and 2 of which must be NHS Trust or LHB representatives.

Repeated non-attendance will be reported to the NWSSP Committee.

4. Frequency of Meetings

5.01   Meetings will be held at least 8 times per year, with additional meetings held if considered necessary.

5. Authority

6.01   The Accountable Officer for NWSSP is authorised to carry out any activity within the terms of reference and the scheme of delegation. In the normal course of WRPC business items included on the agenda are subject to discussion and decisions based on consensus. Decisions made by the Accountable Officer against that recommended by the WRPC will be reported to the NWSSP Committee and the Velindre NHS Trust Audit Committee for Shared Services.

6.02   The WRPC may, establish sub groups or task and finish groups as appropriate to address specific issues and to carry out on its behalf specific aspects of business.

6. Responsibilities of the WRPC

7.01   It is important that there is clarity between the role of the WRPC and that of the NWSSP Committee. The NWSSP Committee will have overall responsibility for overseeing the governance arrangements within WRPS and in support of this function the minutes of the WRPC will be forwarded for information and assurance including the highlighting of matters of significance.

7.02   The role of the WRPC is to:
a. Receive assurance on the management of delegations for areas of responsibility detailed within this Terms of Reference and to report regularly to the Shared Services Partnership Committee on performance;
b. Undertake actions reserved specifically for the WRPC;
c. To provide advice and guidance to the NWSSP Accountable Officer on claims reimbursement decisions; and
d. To support and promote a learning culture within NHS Wales.

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8. WRPS areas of responsibility

8.01 The main areas of responsibility for which WRPS will be held to account by the WRPC are:

- To present key financial and performance information.
- To develop an effective and efficient process including technical notes for the receipt of claims and reimbursement of monies to NHS Wales.
- To ensure that there are effective processes for the forecasting of resource requirements over the short and medium term and that there is sufficient liquidity to meet obligations.
- To ensure that the transactions of the WRPS are fully recorded and that financial accounts are produced in accordance with the timetable set by the Welsh Government.
- To undertake regular assessments of the arrangements for the management of Concerns and Claims by NHS Wales.
- To undertake the assessments of high risk clinical areas as required by Chief Executives of NHS Wales Bodies.
- To develop processes for learning from events and cascading information to all NHS Wales Bodies including undertaking detailed reviews of claims and identifying trends arising from claims.
- To undertake project work as required by the WRPC.
- To develop a process for the scrutiny of claims and Redress cases presented to each WRPC to provide assurance across NHS Wales that appropriate action has been taken to reduce the risk of recurrence. This process should have regard for the number and complexity of claims being presented to ensure that sufficient consideration is given to issues arising.
- To develop an effective and efficient process for handling and responding to enquiries in relation to indemnity and reimbursement matters.

9. WRPC reserved matters

- To approve the reimbursement of claims and Redress cases and impose penalties in accordance with the Reimbursement Procedures.
- To enact the risk sharing arrangements as agreed by the NWSSP.
- To receive and consider the annual statements of account.
- To receive and consider the annual assessment reports and to approve recommendations for any necessary action.
- To receive and consider the outcome of claims reviews and to approve recommendations for any necessary action.
- To agree on a communication strategy across NHS Wales to ensure

that learning from events is captured and communicated appropriately.
- To consider advice and guidance on matters of indemnity which are novel, contentious or expose NHS Wales to significant risk.
- To request claims reviews where the WRPC considers appropriate in order that lessons can be learnt on an All Wales basis.
- To ensure that arrangements are in place to enable the reporting of key issues and trends via the National Quality and Safety Forum.

10. Support and promote a learning culture across NHS Wales

10.1 The members of the WRPC will have collective responsibility for ensuring that the learning from events is formally considered and that a culture of improvement across NHS Wales is fostered. This will include providing advice and guidance at each meeting and where necessary taking action to address weaknesses identified, either at an individual organisational level or at a more strategic level.

11. Reporting Arrangements

11.01 Minutes shall be taken at each meeting and circulated to all members of the WRPC and to the NWSSP Committee for information.

11.02 Risk sharing arrangements will be agreed by the NWSSP Committee.

11.03 Regular financial reports on the risk sharing forecasting will be considered by the Shared Services Committee and provide to Welsh Government as and when required.

11.04 Annual presentations will be made to the groups identified by the WRPC (e.g. Chief Executives, Directors of Finance, Directors of Nursing and Medical Directors).

12. Audit Arrangements

12.01 The WRPS will be subject to audit by both internal and external auditors. The external auditors of Velindre NHS Trust will ensure that there is overall audit coverage of claims management across the NHS in Wales.

13. Associated documents

- All Wales Policy on Indemnity and Insurance
- Scope of the Risk Pooling Arrangements
- WRPS Reimbursement Procedures

1.   BACKGROUND

1.1   In May 2012, all Health Boards and Trusts approved the Standing Orders for Shared Services Partnership Committee. Section 4.0.3 of the Standing Orders states:

*"The SSPC shall establish a Sub-Committee structure that meets its own advisory and assurance needs and/or **utilise Velindre's Committee arrangements** to assist in discharging its governance responsibilities."*

These Terms of Reference set out the arrangements for utilising the Velindre University NHS Trust Audit Committee to support the discharge of those relevant functions in relation to NHS Wales Shared Services Partnership (NWSSP).

ORGANISATIONAL STRUCTURE

Velindre University NHS Trust has an interest in NWSSP on two levels:

   a) The internal governance of NWSSP in relation to the host relationship; and
   b) As a member of NWSSP Committee in relation to the running of national systems and services.

In 2012, it was agreed that the Velindre Audit Committee would be utilised to act on behalf of NWSSP Committee, that there would be a clear distinction between these two areas/functions and that they would be addressed separately under the Audit Committee arrangements. This 'functional split' allows for clear consideration of the issues relating specifically to the business of the nationally run systems and national services that are provided by NWSSP and avoids the boundaries between the governance considerations of the hosting relationship and the governance considerations of NWSSP being blurred. The functional split can be illustrated below:
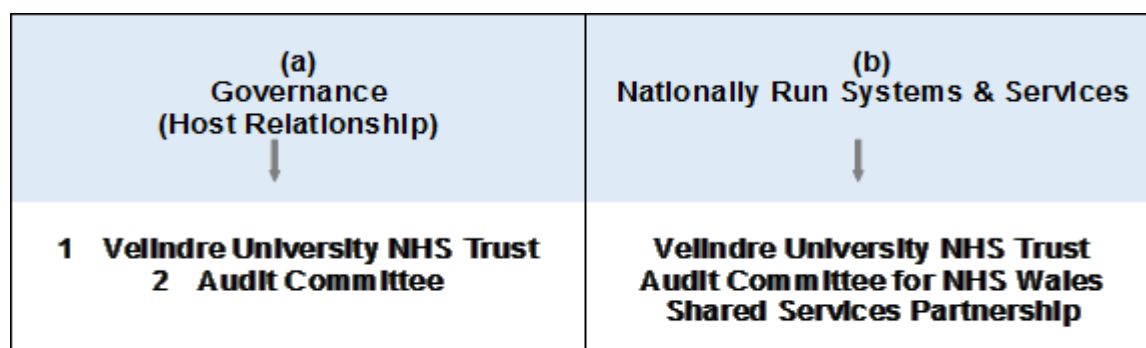
The governance and issues relating to the hosting of NWSSP dealt with in **(a)** will be incorporated into the standard business of the existing Velindre University NHS Trust Audit Committee, with a specific focus on alternating Trust Audit Committee business. The assurance for the business dealt with in **(a)** will be to the Velindre University NHS Trust Board. The Chair of NWSSP Audit Committee should receive copies of the meeting papers and will be invited to attend if there is anything on the agenda which has implications for the Shared Services Partnership Committee (SSPC).

Issues relating to NWSSP nationally run systems and services **(b)** will be fed into a separate Velindre University NHS Trust Audit Committee for NWSSP operating within its own work cycle. The assurance for the business dealt with in **(b)** will be to NWSSP Chair and the NWSSP Audit Committee, via the communication routes, detailed below.

The arrangements for **(a)** above, will not be considered further within these Terms of Reference, as it is for Velindre University NHS Trust Audit Committee to determine the relevant assurance required in relation to the host relationship.

This document goes on to outline the Terms of Reference for **(b)**, above.

2.   INTRODUCTION

2.1   Velindre University NHS Trust's Standing Orders provide that "*The Board may and, where directed by the Welsh Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees*".

2.2   In line with Standing Orders and NWSSP's scheme of delegation, the SSPC shall nominate, annually, a Committee to be known as the Velindre University NHS Trust Audit Committee for NWSSP. The detailed Terms of Reference and Operating Arrangements in respect of this Committee are set out below.

2.3   These Terms of Reference and Operating Arrangements are based on the model Terms of Reference, as detailed in the NHS Wales Audit Committee Handbook, June 2012.

3 PURPOSE

3.1   The purpose of the Audit Committee ("the Committee") is to:

- ***Advise*** and ***assure*** the SSPC and the Accountable Officer on whether effective arrangements are in place - through the design and operation of NWSSP's **system of assurance** - to support them in their decision taking and in discharging their accountabilities for securing the achievement of the organisation's objectives, in accordance with the standards of good governance determined for the NHS in Wales.

Where appropriate, the Committee will advise the Velindre University NHS Trust Board and SSPC as to where and how its system of assurance may be strengthened and developed further.

4 DELEGATED POWERS AND AUTHORITY

4.1 With regard to its role in providing advice to both Velindre University NHS Trust Board and the SSPC, the Audit Committee will comment specifically upon:

- The adequacy of NWSSP's strategic governance and assurance arrangements and processes for the maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities, designed to support the public disclosure statements that flow from the assurance processes (including the Annual Governance Statement) and providing reasonable assurance on:

  - NWSSP's ability to achieve its objectives;
  - Compliance with relevant regulatory requirements, standards, quality and service delivery requirements, other directions and requirements set by the Welsh Government and others;
  - The reliability, integrity, safety and security of the information collected and used by the organisation;
  - The efficiency, effectiveness and economic use of resources; and
  - The extent to which NWSSP safeguards and protects all of its assets, including its people.

- NWSSP's Standing Orders, and Standing Financial Instructions (including associated framework documents, as appropriate);
- The planned activity and results of Internal Audit, External Audit and the Local Counter Fraud Specialist (including Strategies, Annual Work Plans and Annual Reports);

- The adequacy of executive and management's response to issues identified by audit, inspection and other assurance activity, via monitoring of NWSSP's Audit Action Plan;
- Proposals for accessing Internal Audit service (where appropriate);
- Anti-fraud policies, whistle-blowing processes and arrangements for special investigations as appropriate; and
- Any particular matter or issue upon which the SSPC or the Accountable Officer may seek advice.

4.2 The Audit Committee will support the SSPC with regard to its responsibilities for governance (including risk and control) by reviewing:

- All risk and control related disclosure statements (in particular the Annual Governance Statement together with any accompanying Head of Internal Audit Statement, External Audit Opinion or other appropriate independent assurances), prior to endorsement by the SSPC;
- The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
- The policies for ensuring compliance with relevant regulatory, legal and code of conduct and accountability requirements; and
- The policies and procedures for all work related to fraud and corruption as set out in Welsh Government Directions and as required by NHS Protect.

4.3 In carrying out this work, the Audit Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.

4.4 This will be evidenced through the Audit Committee's use of effective governance and assurance arrangements to guide its work and that of the audit and assurance functions that report to it, and enable the Audit Committee to review and form an opinion on:

- The **comprehensiveness** of assurances in meeting the SSPC and the Accountable Officer's assurance needs across the whole of the organisation's activities; and
- The **reliability and integrity** of these assurances.

4.5   To achieve this, the Audit Committee's programme of work will be designed to provide assurance that:

- There is an effective internal audit function that meets the standards set for the provision of internal audit in the NHS in Wales and provides appropriate independent assurance to the SSPC and the Accountable Officer through the Audit Committee;
- There is an effective Counter Fraud service that meets the standards set for the provision of counter fraud in the NHS in Wales and provides appropriate assurance to the SSPC and the Accountable Officer through the Audit Committee;
- There are effective arrangements in place to secure active, ongoing assurance from management with regard to their responsibilities and accountabilities, whether directly to the SSPC and the Accountable Officer or through the effective completion of Audit Recommendations and the Audit Committee's review of the development and drafting of the Annual Governance Statement;
- The work carried out by key sources of external assurance, in particular, but not limited to the SSPC's external auditors, is appropriately planned and co-ordinated and that the results of external assurance activity complements and informs (but does not replace) internal assurance activity;
- The work carried out by the whole range of external review bodies is brought to the attention of the SSPC and that the organisation is aware of the need to comply with related standards and recommendations of these review bodies, together with the risks of failing to comply;
- The systems for financial reporting to the SSPC, including those of budgetary control, are effective; and
- The results of audit and assurance work specific to the organisation and the implications of the findings of wider audit and assurance activity relevant to the SSPC's operations, are appropriately considered and acted upon to secure the ongoing development and improvement of the organisation's governance arrangements.

In carrying out this work, the Audit Committee will follow and implement the Audit Committee for Shared Services Annual Work Plan and will be evidenced through meeting papers, formal minutes, and highlight reports to the SSPC, Velindre University Trust Board and annually, via the Annual Governance Statement, to the Velindre University NHS Trust's Chief Executive.

Authority

4.6   The Audit Committee is authorised by the SSPC to investigate or to have investigated any activity within its Terms of Reference. In doing so, the

Audit Committee shall have the right to inspect any books, records or documents of NWSSP, relevant to the Audit Committee's remit and ensuring patient/client and staff confidentiality, as appropriate. It may seek relevant information from any:

- Employee (and all employees are directed to co-operate with any reasonable request made by the Audit Committee); and
- Any other Committee, Sub Committee or Group set up by the SSPC to assist it in the delivery of its functions.

4.7 The Audit Committee is authorised by the SSPC to obtain external legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary, in accordance with the SSPC's procurement, budgetary and other requirements.

Access

4.8 The Head of Internal Audit and the Audit Manager of External Audit shall have unrestricted and confidential access to the Chair of the Audit Committee at any time and the Chair of the Audit Committee will seek to gain reciprocal access as necessary.

4.9 The Audit Committee will meet with Internal and External Auditors and the nominated Local Counter Fraud Specialist, without the presence of officials, on at least one occasion each year.

4.10 The Chair of Audit Committee shall have reasonable access to Executive Directors and other relevant senior staff.
Sub Committees

4.11 The Audit Committee may, subject to the approval of the SSPC, establish Sub Committees or Task and Finish Groups to carry out on its behalf specific aspects of Committee business. Currently, there is an established Welsh Risk Pool Committee which is a Sub Committee of the SSPC, however, there are no Sub Committees of the Audit Committee.

5 MEMBERSHIP

Members

5.1 A minimum of 3 members, comprising:

Chair   Independent member of the Board

Members	Two other independent members of the Velindre University NHS Trust Board.
	The Audit Committee may also co-opt additional independent 'external' members from outside the organisation to provide specialist skills, knowledge and expertise.
	The Chair of the organisation shall not be a member of the Audit Committee.

Attendees

5.2   In attendance:

NWSSP Managing Director, as Accountable Officer
NWSSP Chair
NWSSP Director of Finance & Corporate Services
NWSSP Director of Audit & Assurance
NWSSP Head of Internal Audit
NWSSP Audit Manager
NWSSP Head of Finance and Business Development
NWSSP Compliance Officer
Representative of Velindre University NHS Trust
Local Counter Fraud Specialist
Representative of the Auditor General for Wales
Other Executive Directors will attend as required by the Committee Chair

By invitation the Committee Chair may invite:

- any other Partnership officials; and/or
- any others from within or outside the organisation

to attend all or part of a meeting to assist it with its discussions on any particular matter.

The Velindre Chief Executive Officer should be invited to attend, where appropriate, to discuss with the Audit Committee the process for assurance that supports the Annual Governance Statement.

Secretariat

Secretary   As determined by the Accountable Officer

Member Appointments

5.3   The membership of the Audit Committee shall be determined by the Velindre University NHS Trust Board, based on the recommendation of the Trust Chair; taking account of the balance of skills and expertise necessary to deliver the Audit Committee's remit and subject to any specific requirements or directions made by Welsh Government.

5.4   Members shall be appointed to hold office for a period of four years. Members may be re-appointed, up to a maximum of their term of office. During this time a member may resign or be removed by the Velindre University NHS Trust Board.

5.5   Audit Committee members' Terms and Conditions of Appointment, (including any remuneration and reimbursement) are determined on appointment by the Minister for Health and Social Services.

Support to Audit Committee Members

5.6   The NWSSP Head of Finance and Business Development and NWSSP Compliance Officer, on behalf of the Audit Committee Chair, shall:

- Arrange the provision of advice and support to Audit Committee members on any aspect related to the conduct of their role; and
- Ensure the provision of a programme of organisational development for Audit Committee members as part of the Trust's overall OD programme developed by the Velindre Executive Director of Workforce & Organisational Development.

6   AUDIT COMMITTEE MEETINGS

Quorum

6.1   At least two members must be present to ensure the quorum of the Audit Committee, one of whom should be the Audit Committee Chair or Vice Chair.

Frequency of Meetings

6.2   Meetings shall be held no less than quarterly and otherwise as the Chair of the Audit Committee deems necessary, consistent with NWSSP's Annual

Plan of Business. The External Auditor or Head of Internal Audit may request a meeting if they consider that one is necessary.

Withdrawal of Individuals in Attendance

6.3   The Audit Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

7   RELATIONSHIP & ACCOUNTABILITIES WITH THE TRUST BOARD & SSPC DELEGATED TO THE AUDIT COMMITTEE

7.1   Although the Velindre University NHS Trust Board, with the SSPC and its Sub Committees, including the Welsh Risk Pool Sub Committee, has delegated authority to the Audit Committee for the exercise of certain functions as set out within these Terms of Reference, it retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens through the effective governance of the organisation.

7.2   The Audit Committee is directly accountable to the Velindre University NHS Trust Board for its performance in exercising the functions set out in these Terms of Reference.

7.3   The Audit Committee, through its Chair and members, shall work closely with NWSSP and its other Sub Committees to provide advice and assurance to the SSPC by taking into account:

- Joint planning and co-ordination of the SSPC business; and
- Sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into NWSSP's overall risk and assurance arrangements. This will primarily be achieved through the discussions held at the SSPC, annually, at the end of the financial year.

7.1   The Audit Committee will consider the assurance provided through the work of the SSPC's other Committees and Sub Committees to meet its responsibilities for advising the SSPC on the adequacy of the organisation's overall system of assurance by receipt of their annual workplans.

7.1 The Audit Committee shall embed the SSPC's and Trust's corporate standards, priorities and requirements, e.g. equality and human rights, through the conduct of its business.

8 REPORTING AND ASSURANCE ARRANGEMENTS

8.1 The Audit Committee Chair shall:

- Report formally, regularly and on a timely basis to the Board, SSPC and the Accountable Officer on the Audit Committee's activities. This includes verbal updates on activity and the submission of committee minutes, and written highlight reports throughout the year;
- Bring to the Velindre University NHS Trust Board, SSPC and the Accountable Officer's specific attention any significant matters under consideration by the Audit Committee; and
- Ensure appropriate escalation arrangements are in place to alert the SSPC Chair, Managing Director (and Accountable Officer) or Chairs of other relevant Committees, of any urgent/critical matters that may affect the operation and/or reputation of the organisation.

8.2 The Audit Committee shall provide a written Annual Report to the SSPC and the Accountable Officer on its work in support of the Annual Governance Statement, specifically commenting on the adequacy of the assurance arrangements, the extent to which risk management is comprehensively embedded throughout the organisation, the integration of governance arrangements and the appropriateness of self assessment activity against relevant standards. The report will also record the results of the Audit Committee's self assessment and evaluation.

8.3 The Velindre University NHS Trust Board and SSPC may also require the Audit Committee Chair to report upon the Audit Committee's activities at public meetings or to community partners and other stakeholders, where this is considered appropriate, e.g. where the Audit Committee's assurance role relates to a joint or shared responsibility.

8.4 The NWSSP Head of Finance and Business Development and NWSSP Compliance Officer, on behalf of the Partnership, shall oversee a process of regular and rigorous self-assessment and evaluation of the Audit Committee's performance and operation, including that of any Sub Committees established. In doing so, account will be taken of the requirements set out in the NHS Wales Audit Committee Handbook.

9 APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

9.1 The requirements for the conduct of business as set out in the NWSSP's

Standing Orders are equally applicable to the operation of the Audit Committee, except in the following areas:

- Quorum *(as per section on Committee meetings)*
- Notice of meetings
- Notifying the public of meetings
- Admission of the public, the press and other observers

10 REVIEW

10.1   These Terms of Reference and operating arrangements shall be reviewed annually by the Audit Committee with reference to the SSPC and Velindre University NHS Trust Board.

ADVISORY GROUPS AND EXPERT PANELS

Terms of Reference and Operating Arrangements

1. Evidence Based Procurement Board (EBPB)

This Annexe forms part of, and shall have effect as if incorporated in the SSPC Standing Orders

1. Terms of Reference of the Evidence Based Procurement Board (EBPB) of the NHS Wales Shared Services Partnership (NWSSP)

1. Aims and Objectives

The Board shall be known as the 'Evidence Based Procurement Board' (EBPB), and will consist of professionals from across various disciplines within NHS Wales and appropriate research bodies, making recommendations and guidance for implementation by the Welsh NHS**.**

The EBPB advises, promotes, develops and implements value and evidence based procurement of medical technologies for NHS Wales. The group will assist with rationalisation and standardisation in line with Prudent healthcare principles, underpinned with the "*Once for Wales*" philosophy, and will assess whether NHS Wales should discard devices/technologies if they are deemed inappropriate or wasteful.

The EBPB will produce advice and guidance to support planning and decision making in Local Health Boards and Trusts.

The EBPB shall provide advice, guidance and recommendations to the Shared Services Committee and the WG Efficiency Healthcare Value & Improvement Group.

The EBPB will support NHS Wales core values through the assessment of quality and safety elements of medical technologies; using this to provide high value evidence based care whilst reducing harm. In addition, through the rationalisation and standardisation programme, the EBPB will enable reduced variation and waste. It also specifically supports the 2018 report "*A Healthier Wales: our Plan for Health and Social Care*" principles of "Higher value" (better outcomes, better experience at reduced cost, less variation and no harm) and "Evidence driven" (the use of research, knowledge and information to understand what works).

In line with the emphasis of "Value" in "*A Healthier Wales*", the EBPB will play a key role in assisting the delivery of the Value Based Health Care agenda across the NHS in Wales.

It is acknowledged that there will be some areas that will be of mutual interest to Health Technology Wales (HTW) and these will be addressed through discussion with appropriate representatives.

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2. MEMBERSHIP

Membership will be endorsed by Welsh Government and made up of senior professionals from NHS Wales and academia. The EBPB will consist of both voting and non-voting members. Membership is as follows;

- Chair - Medical Director/Assistant MD   - Stephen Edwards

- NWSSP Director (SRO)   - Mark Roscrow

- Finance Director   - Hywel Jones

- Health Economist   - Pippa Anderson

- Director of SMTL   - Pete Phillips

- Health Technology Wales   - Susan Myles

- Procurement Services   - Andy Smallwood

- Deputy Executive Nurse Director   - Jason Roberts

- Secondary Care Clinician   - Paul Morgan

- National Clinical Lead for Prudent & Value Based Care/Primary Care Senior Clinician   - Dr Sally Lewis

- Value Based Care/National Lead VBP   - Adele Cahill

- Academic Clinician   - Prof Haray

- Academia   - Sam Evans

- NWSSP MD   - Neil Frow

Non-voting members may be invited to attend as and when appropriate;
- Individuals co-opted for advice on specialist category areas, including Clinical networks and clinicians locally.
- Nominated experts from Evidence Research Group

Secretariat
- NHS Wales Shared Services Partnership – Procurement Services
- NHS Wales staff may request to attend as observers by writing in advance to the Chair.

Deputies

In the event of a voting member not being in attendance, an agreed named deputy should attend. The EBPB will approve deputies for all voting members of the group, (Chair excluded). A Vice Chair will be appointed in accordance with *Point 4.*

3. OFFICERS

The Chair will normally be a Medical Director/ Assistant Medical Director, appointed by the EBPB and approved by Welsh Government whose term of office shall normally be between 1-5 years. They will be eligible for re-appointment for an additional term of office, but the total period cannot exceed 10 years.
A Vice-Chair will be elected from the voting members. The Vice Chair or in their absence, another voting member may preside over meetings in the absence of the Chair.

4. MEETINGS

The EBPB will meet a minimum of 4 times per year, and roles and responsibilities of members should be readily available to any relevant party on request.

5. DECLARATION OF INTEREST

Members MUST declare, in advance any financial and/or personal interests, to any related matter that is subject of consideration. Any declarations made and/or actions taken will be noted in the minutes.

6. VOTING

Any issues/questions should be resolved by consensus. Only voting members will have voting rights. Deputies will be eligible to vote. The Chair will not normally vote on matters however in the case of equality of votes, the Chair or person presiding as Chair will have the casting vote. Members with a conflict of interest in a specific Topic, including members who have had a significant role in the preparation of the submissions being considered, will not cast a vote for that Topic.

7. QUORUM

Quorum will be 50% of voting members.

8. VALIDITY OF PROCEEDINGS/MEMBERSHIP VACANCIES

Validity of proceedings of the EBPB is not affected by a vacancy or defect in the appointment of a member of deputy. Membership of the EBPB shall end if;
- Members resign by giving notice in writing to the Chair of the EBPB
- Absenteeism from 3 consecutive ordinary meetings; unless the EBPB is satisfied that absence is due to reasonable cause
- Ceases to belong to the body they represent
- Term of office expires

9. EVIDENCE REVIEW GROUP (ERG)

The ERG is a standing committee which reports to the EBPB. Staff from SMTL and ProcS form the core membership who will undertake the day to day workload for the ERG.

The ERG will also include experts in Health Economics and Human Factors from Swansea University as and when required.

The ERG will liaise with other researchers and analysts as and when required, including partnering with HTW staff.

Expert Membership - The ERG will recruit expert members as and when required to provide clinical and domain-specific advice and expertise. Expert members may include Clinical experts from NHS Wales and Welsh Government National Special Advisory Groups (NSAGs).

10. POWERS OF THE EBPB

- The EBPB may require the Evidence Review Group (ERG) to convene meetings of expert advisors.
- The work and meetings of the ERG and expert advisors should be reported to the EBPB.
- The ERG should operate in an advisory role to the EBPB.
- The EBPB may seek independent advice as and when appropriate.
- The EBPB may commission external bodies to evaluate evidence in relation to products.
- The EBPB and ERG will incur the minimum necessary expenditure to enable their work to be carried out. These expenses will be considered and administered by NWSSP Shared Services Procurement Services.
- Nominated experts from the ERG may be required to attend meetings of the EBPB.

11. GOVERNANCE AND ACCOUNTABILITY

The EBPB is accountable to the NWSSP committee and will utilise NWSSP's governance structures.

12. ROLES AND RESPONSIBILITIES

- Support the rationalisation and standardisation agenda in line with prudent Healthcare principles.
- Review evaluations and evidence assessments of medical technologies.
- Develop a work programme determined by Health Boards/Trusts, Welsh Risk Pool and other stakeholders.
- Provide advice to stakeholders regarding new or innovative products for use across NHS Wales in consultation with HTW.
- Liaise with Academia on the EBPB work programme, including product development initiatives where appropriate.
- Participate in horizon scanning with other agencies such as HTW and advise on the potential impact for the NHS.
- Provide advice on clinical pathways/treatments where devices and consumables are part of the clinical process, complimenting and supporting the work of NICE.
- Receive for consideration into the work programme topics referred by WG and other key stakeholders. This will include liaison with HTW's Front Door Group.
- Liaise and engage with professional peers.
- Produce an Annual report for review by NHS Wales and Shared Services Partnership Committee.
- Consider NICE guidance and Do Not Do recommendations when developing the work programme.
- Develop mechanisms to audit adoption of the EBPB advice.

13. GROUP STRUCTURE & METHODS

A separate document is available detailing the structure and working methodology of the EBPB and other structures.

Process for the Selection, Appointment and Termination of the Chair of the SSPC

This Annexe forms part of, and shall have effect as if incorporated in the Shared Services Committee Standing Orders

The NWSSP Committee has the responsibility for appointing the Chair of the Committee. Whist the appointment is not a Ministerial appointment the planned process will take account of the appointment principles outlined in the "Governance Code on Public Appointments" which came into effect on 1st January 2017 and sets out the regulatory framework for public appointments.

MAIN BODY

In line with the Governance Code on Public Appointments to Public Bodies 2016 the principles of public appointments are summarised below:

A. **Ministerial responsibility** - The ultimate responsibility for appointments and thus the selection of those appointed rests with Ministers who are accountable to Parliament for their decisions and actions. Welsh Ministers are accountable to Welsh Government.

B. **Selflessness** - Ministers when making appointments should act solely in terms of the public interest.

C. **Integrity** - Ministers when making appointments must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

D. **Merit** - All public appointments should be governed by the principle of appointment on merit. This means providing Ministers with a choice of high quality candidates, drawn from a strong, diverse field, whose skills, experiences and qualities have been judged to meet the needs of the public body or statutory office in question.

E. **Openness** - Processes for making public appointments should be open and transparent.

F. **Diversity** - Public appointments should reflect the diversity of the society in which we live and appointments should be made taking account of the need to appoint boards which include a balance of skills and backgrounds.

The essential features of the process will include the following:

- A panel must be set up to oversee the appointments process.
- The panel must be chaired by an independent assessor
- An agreed selection process, selection criteria and publicity strategy for a successful appointment
- A panel report must be prepared, signed by the chair of the appointment panel
- The appointment of the successful candidate must be publicised.

It is important that all public appointees uphold the standards of conduct set out in the Committee on Standards in Public Life's Seven Principles of Public Life. The panel must satisfy itself that all candidates for appointment can meet these standards and have no conflicts of interest that would call into question their ability to perform the role.

The selection panel will comprise of the following members:

- 3 members of the NWSSP Committee
- NWSSP Director of Workforce and OD

The appointment process is managed by the NWSSP Director of Workforce and OD.

A suite of supporting documentation has been developed to support the process.

The job **advertisement.** It is proposed that, in line with the practice adopted by Welsh Government for all other public appoints this post is advertised on Job Wales which is the Western Mail and Daily Post on-line publication.

The candidate application **form**. The content and format very closely mirrors the application form currently used by the Welsh Government for Ministerial Public Appointments.

A **briefing pack** for candidates. This includes details of the role profile and person specification.

Governance and Risk Issues

Whist the appointment is not a Ministerial appointment the planned process will

take account of the appointment principles outlined in the "Governance Code on Public Appointments" which came into effect on 1st January 2017 and sets out the regulatory framework for public appointments.

The appointment documentation and processes has been reviewed and agreed by the Director of Governance & Corporate Services/Board Secretary at Cwm Taff UHB who is a member of the SSPC; and has also been provided to the Director of Corporate Governance/Board Secretary at Velindre University NHS Trust to ensure that the appointment aligns to Velindre's governance requirements.

The selection process will be repeated following each maximum term of office for the Chair of the Committee, or when the Chair resigns, or following removal of the Chair by termination.

Suspension and Termination

Should the circumstances laid down in the draft regulations at 9. (1), 9.(3), 9.(5) or 10.(1) emerge, and the removal (i.e. suspension or termination) of the Chair is deemed necessary, the Committee will agree the reasons for the decision to do so and formally submit these reasons to a panel constituted as that described for the selection process above.

The panel will then make a recommendation to Velindre University NHS Trust to suspend or remove the Chair. Velindre University NHS Trust will then take the necessary action and subsequently provide the Welsh Ministers with the reasons agreed as per section 9.(2) (termination) or 10.(2) (suspension) of the Regulations.

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2019
AGENDA ITEM	2.5
PREPARED BY	Roxann Davies, Compliance Officer
PRESENTED BY	Peter Stephenson, Head of Finance & Business Development
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance & Corporate Services
TITLE OF REPORT	Annual Report of Declarations of Interest

PURPOSE

The purpose of this report is to provide a summary of the Declarations of Interest received for **NWSSP's Senior Management Team,** for the financial year 2017-18.

1.   INTRODUCTION

The Velindre University NHS Trust's Standards of Behaviour Framework Policy outlines arrangements within the organisation to ensure that staff comply with requirements. It is important to note that any private interest(s) does not conflict with NHS duties.

2.   DECLARATIONS OF INTEREST

The Nolan Principles on Public Life were established in 1994 and have recently been extended to define public office as applying to all those involved in the delivery of public services. The seven principles are as follows:

Selflessness
You should take decisions solely in terms of the public interest. You must not act in order to gain financial or other material benefit for family or friends.

Integrity
You should not place yourself under any financial or other obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties

Objectivity
You must make decisions solely on merit when carrying out public business (including the awarding of contracts)

Accountability
You are accountable for your decisions and actions to the public. Consider issues on their merits, taking account of the views of others and ensure the organisation uses resources prudently and in accordance with the law.

Openness
You should be as open as possible about all decisions and actions, giving reasons for your decisions and restricting information only when the wider public interest demands.

Honesty
You have a duty to act honestly. Declare private interests relating to public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership
Holders of public office should promote and support the foregoing principles by leadership and example.

It is the responsibility of all individuals to ensure that they are familiar with the requirements of Nolan Principles and every public body should develop Codes of Conduct for staff and Board Members, which reflect these Nolan Principles and its shared values. The guidance in terms of disclosing potential conflicts of interest is to err on the side of caution and disclose more rather than less. What is important is whether a relationship could be perceived as a conflict of interest, whether or not it actually is.

The table below records the current position with regards to completion of the forms for the Senior Management Team (SMT).

Directorate	No. of Forms Returned	No. of Declarations Made	Forms Not Yet Received
Senior Management Team	11	9	0

A summary of the declarations received for 2017-2018, is presented at Appendix 1.

3.   RECOMMENDATION

The Committee is asked to REVIEW and DISCUSS the approach to publishing SMT declarations, going forward.

NWSSP Audit Committee
22 January 2019

Name	Position	Interest	Summary
Andy Butler	Director of Finance & Corporate Services	Y	Arts Council Wales - Independent Audit Committee Member - 2 years - Reimbursement of expenses. Pentyrch Rangers AFC – Treasurer - 10 years. Pentyrch Sports Association – Secretary - 1 year. Nephew is Admin Assistant in Student Awards Unit
Dave Hopkins	Director of Primary Care Services	Y	Spouse employed as a Pharmacist by ABMU, shortly to transfer to Cwm Taf. Daughter employed as a Forensic Support Officer by ABMU.
Hazel Robinson	Director of Workforce & OD	Y	Husband is Optometrist and Company Director of Gwynnes Opticians Aberdare. Son works in Procurement Services, Cwmbran Stores.
Margaret Foster	Chair of Shared Services Partnership	Y	Member of LSE/Lancet Commission on the Future of the NHS - 09/2017 to date. Member of ACT Strategy Board - Wholly owned subsidiary of Cardiff and Vale College - 05/2018 to date. Spouse: Consultant Surgeon ABUHB.
Mark Roscrow	Director of Procurement	Y	Director of Wales Quality Centre – from January 2013. Health Care Supply Association - Chair of Trustees – from November 2017. Daughter works within Procurement Services
Neil Davies	Director of Specialist Estates Services	Y	Son works within Procurement Services.
Neil Frow	Managing Director	Y	Non-Executive Director of Careers Choices Dwis Gyrfa Ltd (CCDG) - from November 2010 to November 2017. Notes: Re-appointed to CCDG Board via Public Appointments Process in October 2014 - CCDG is wholly owned by Welsh Government and trades as Careers Wales. NHS Wales Representative Board Member and Vice Chair of Welsh Government Hosted National Procurement Services - 4 years - NHS Wales uses NPS for contracts and repetitive spend areas. NHS Wales Representative on the Welsh Government Public Sector Procurement Board - 4 years. Spouse employed by Cwm Taf UHB as Staff Nurse.
Paul Thomas	Director of Employment Services	Y	Daughter employed within NWSSP Employment Services Three other Family members on the NHS Wales payroll: ABUHB, ABUHB,C&VUHB.
Simon Cookson	Director of Audit & Assurance	Y	Director of S Cookson Consulting Ltd - company undertook activity only up until June 2014 when SC joined NWSSP. Company remains in existence and submits annual accounts and annual return to Companies House. No payments or rewards have been made/received in year April 2017 - March 2018. Appointed as Independent Member of Audit Committee at Bristol City Council. Appointment approved by Managing Director of NWSSP – No reward received - 25 January 2018 for 4 years.
Anne-Louise Ferguson	Director of Legal & Risk	N	No interest declared
Stephen John Griffiths	Director of WEDS	N	No interest declared

APPENDIX 1 – SUMMARY OF DECLARATIONS OF INTEREST 2017-18
NWSSP Senior Management Team

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2018
AGENDA ITEM	3.1
PREPARED BY	Nigel Price, Local Counter Fraud Specialist
PRESENTED BY	Nigel Price, Local Counter Fraud Specialist
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance and Corporate Services
TITLE OF REPORT	Counter Fraud Progress Report

PURPOSE

The purpose of the Counter Fraud Progress Report is to provide the Audit Committee with and update report of all NHS Counter Fraud work undertaken, for the period ended 31 December 2018. The report style has been adopted, in consultation with the Director of Finance and Corporate Services, with the prime objective of informing, and updating, the Audit Committee members of the outline detail of significant changes in cases that have been worked on during the period, in addition to any current operational issues.

1.   INTRODUCTION

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

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

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

2.   CURRENT POSITION

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

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

3.   ACTIONS/RECOMMENDATIONS

The Audit Committee are asked to:

- RECEIVE and DISCUSS the Counter Fraud Progress Report

NHS WALES
SHARED SERVICES PARTNERSHIP

Audit Committee – 22nd January 2019

**Counter Fraud Progress Report
as at 31st December 2018**

CRAIG GREENSTOCK
COUNTER FRAUD MANAGER
CARDIFF & VALE UNIVERSITY HEALTH BOARD

NHS WALES SHARED SERVICES PARTNERSHIP

AUDIT COMMITTEE 23rd OCTOBER 2018

COUNTER FRAUD PROGRESS REPORT

__Mission Statement__

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

---

1. INTRODUCTION

1.1 In compliance with the Directions on Countering Fraud in the NHS, I detail below the standing of the current Counter Fraud and Corruption work carried out, by the nominated Local Counter Fraud Specialists, during the period ended 31st December 2018.

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

Progress against the NWSSP Annual CF Work-Plan of **75days,** has been reported in **Appendix 1** and as at 31st December 2018, **25days of** Counter Fraud work has been undertaken and this has also been reported in **Appendix 1**.

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

2. CURRENT CASE UPDATE

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

3. PROGRESS AND GENERAL ISSUES

3.1 Fraud Awareness Presentations

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

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

3.2   National Fraud Initiative 2016/17 and 2018/19

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

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

COUNTER FRAUD SUMMARY PLAN ANALYSIS 2018/19

AREA OF WORK	NWSSP	Days to Date
General Requirements		
Production of Reports to Audit Committee	3	4
Attendance at Audit Committees	3	1
Planning/Preparation of Annual Report and Work Programme	5	5
Annual Activity		
Creating an Anti Fraud Culture	4	2
Presentations, Briefings, Newsletters etc.	14	7
Other work to ensure that opportunities to deter fraud are utilised	2	0
Prevention		
The reduction of opportunities for Fraud and Corruption to occur	3	0
Detection		
Pro-Active Exercises (e.g. Payroll etc)	3	0
National Fraud Initiative 2016/17	2	1
Investigation, Sanctions and Redress		
The investigation of any alleged instances of fraud	30	14
Ensure that Sanctions are applied to cases as appropriate	4	0
Seek redress, where fraud has been proven to have taken place	2	0
TOTAL NWSSP	**76**	**29**

COUNTER FRAUD ASSIGNMENT SCHEDULE 2018/19

Case Ref	Subject	Status	Open/Closed
SSP14.05	Unauthorised Sale of NHS Property	Crown Court Hearing (Suspended Sentence) Civil Recovery (5k) still being made at £50 per month	Open - Balance o/s £2524.25
SSP19.01	Unauthorised DBS Computer Access and possible GDPR issues	Initial background checks being made.	Open
SSP19.03	Allegation of timesheet fraud	Information received through the NHS Fraud Reporting Line. Enquiries are in progress	Open
SSP19.04	Allegation of false claim on a bursary application	Investigation proceeding, further interviews will be conducted and this report updated. Enquiries are in Progress	Open

Wales Audit Office
Swyddfa Archwilio Cymru

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Audit Position Statement – **Velindre NHS Trust – NHS Wales Shared Services Partnership**

Date issued: January 2019

Document reference: APS201901

Contents

Progress update

About this document

1   This document provides the Velindre NHS Trust's Audit Committee for Shared Services with an update on current and planned Wales Audit Office work, together with information on the Auditor General's planned programme of NHS-related studies and publications.

Assurance arrangements

2   Details of the finalisation of our audit assurance arrangements for 2019 are set out in Exhibit 1.

Exhibit 1: assurance arrangements

Area of work	Current status
Assurance arrangements 2019	Presented to Audit Committee January 2019

Audit update

3   The progress of the audit assurance work detailed in our 2019 assurance arrangements report is set out in Exhibit 2.

Exhibit 2: audit work update

Area of work	Scope	Planned timetable	Current status
Audit assurance requirements			
Internal audit	Assess compliance with Public Sector Internal Audit Standards (PSIAS). Review annual audit plan and status of audits.	January 2019	Work planned for January 2019
Payroll	Update or understanding of the payroll system and identify key controls. Controls testing of exception reports.	March 2019	Work in progress

Area of work	Scope	Planned timetable	Current status
General Medical Service	Update our understanding of the general medical system and identify key controls. Controls testing of global sum payments (capitation lists and patient rates).	January – March 2019	Work in progress
Pharmacy & Prescribed drugs	Update our understanding of the pharmacy contract and prescribed drugs systems. Controls testing of payments to pharmacists (checks undertaken by the Professional Services Team and drug tariff rates).	January – March 2019	Work in progress
Accounts Payable & Public Sector Payment Policy	Update our understanding of the accounts payable system and undertake any substantive or controls testing as determined by local audit teams. Review the process of how PSPP works in NWSSP	January – March 2019	Work in progress
Procurement	Review of contracts awarded with a value greater than £1 million	April 2019	Work planned for April 2019
Welsh Health Legal	Assess the competence, capability and objectivity of NWSSP LARS staff (as required by ISA 500) Update our understanding of the systems used to record legal cases, the assumptions and methods used to populate Quantum reports. Test a sample of clinical negligence cases, reviewing the information collated on the Legal and Risk management system.	December 2018 – January 2019	Work in progress
Nationally Hosted NHS IT systems – IT audit work	Review our understanding of the general IT controls and identify key controls. Review, document and evaluate the IM&T environment and application controls. Test a sample of IT controls.	January – April 2019	Work in progress
Reporting to NWSSP			
Nationally Hosted NHS IT systems	Summary of work and any matters arising that need to be considered by the NWSSP management	January - April 2019	Report planned for June 2019

Area of work	Scope	Planned timetable	Current status
Management letter	Summary of work and any matters arising that need to be considered by the NWSSP management. This report will also include any issues relating to NWSSP identified by other Welsh health auditors.	June 2019	Report planned for July 2019

NHS-related national studies

4   The Audit Committee may also be interested in the programme of national value for money studies, some of which focus on the NHS and pan-public-sector topics. These studies are typically funded by the National Assembly and are presented to the National Assembly's Public Accounts Committee to support its scrutiny of public expenditure.

5   Exhibit 3 provides information on recently published NHS-related or relevant national studies. It also includes all-Wales summaries of work undertaken locally in the NHS. Exhibit 4 provides information on studies currently underway.

Exhibit 3: NHS-related national studies recently published by the Wales Audit Office

Topic	Details
Radiology Services in Wales	This report summarises the key messages from our local work on radiology services in Wales Waiting time targets for radiology examinations are currently being met and our work has shown that radiology services are generally well managed. However, rising demand, difficulties with recruitment and retention of staff, outdated and insufficient scanning equipment, along with IT weaknesses are putting services under pressure and point to the need for clear and targeted action to ensure that radiology services are able to cope with future demand. **Published 8 Nov 2018** http://www.audit.wales/publication/radiology-services-wales
Management of follow up outpatient appointments across Wales	The Auditor General examined health boards' arrangements for managing follow-up outpatient appointments. Outpatient services play a crucial role in the majority of NHS care pathways. Follow-up outpatient appointments make up a large proportion of outpatient activity but there have been concerns about the management of these appointments in recent years. **Published 31 October 2018** http://www.audit.wales/publication/management-follow-outpatient-appointments-across-wales

Topic	Details
National Fraud Initiative in Wales 2016-18	This report summarises the findings of the biennial National Fraud Initiative in Wales for the period 1 April 2016 to 31 March 2018. The latest National Fraud Initiative (NFI) exercise has been one of the most successful to date – uncovering £5.4 million of fraud and overpayments across public services in Wales, compared with £4.4 million the last time. The Auditor General's report, reveals that more than £35 million of fraud and overpayments have been found in Wales since the scheme began in 1996. **Published 22 October 2018** http://www.audit.wales/publication/national-fraud-initiative-wales

Exhibit 4: NHS-related national studies currently underway by the Wales Audit Office

Topic	Anticipated publication date
NHS agency staffing costs	Report anticipated to be published early 2019
Integrated Care Fund	Report to be published 2019
Primary care services – summary of findings across Wales	Report to be published 2019

Good practice

6   In addition to the audit work set out above, we continue to seek opportunities for finding and sharing good practice from all-Wales audit work through our forward planning, programme design and good practice research. Our Good Practice Exchange team also facilitates a programme of shared learning events. Exhibit 5 provides information on events, further details can be found on the Good Practice Exchange section on the Wales Audit Office website.

Exhibit 5: Upcoming events from the Good Practice Exchange

Event	Details
Supporting people in their communities: Reducing unnecessary hospital admissions'	Following on from 'I'm a patient get me out of here' in March, this seminar is seeking to highlight innovative approaches where public services are delivering services that help prevent unnecessary hospital admissions.
	For many individuals the initial reason for attending often masks complex needs. This seminar is about thinking about what could be done differently to prevent the needs of individuals escalating to a point where A&E feels like the only option to them. One of the key success factors to achieving this is partnership working. This seminar will showcase positive partnership projects which have supported individuals in maintaining good health and preventing the need to be admitted.
	This seminar is aimed at officers in all sectors responsible for policy development, service design and service delivery.
	5 Feb 2019 - 9:00am - 1:00pm (Cardiff)
	14 Feb 2019 - 9:00am - 1:00pm (Llanrwst)
	http://www.audit.wales/events/supporting-people-their-communities-reducing-unnecessary-hospital-admissions

Event	Details
Young people influencing decisions about what matters to them	The focus of this event will be how we can best design and deliver services together with young people to help them meet the challenges facing young people in Wales today. These challenges have been drawn from a variety of sources who have had real conversations with young people and asked for their views on what matters to them. Young people are already having meaningful opportunities to influence decisions about their lives. They are helping to design services to ensure they meet the needs of the individual and are encouraging sectors to deliver services collaboratively. This event is aimed at staff in all sectors who are seeking to engage with and involve young people in a meaningful way in designing and delivering services. **12 Mar 2019 - 9:30am - 3:30pm (Cardiff)** **28 Mar 2019 - 9:30am - 3:30pm (Llanrwst)** http://www.audit.wales/events/young-people-influencing-decisions-about-what-matters-them

2019 Audit Assurance Arrangements – **NHS Wales Shared Services Partnership**

Audit year: 2018-19

Date issued: January 2019

Document reference: 1009A2018-19

Contents

Summary

1   The purpose of this paper is to set out the audit assurance arrangements for external audit in line with the requirements of International Standards of Auditing (UK and Ireland) (ISAs) relevant to services provided by the NHS Wales Shared Services Partnership (NWSSP).

2   External audit assurance arrangements need to consider:

- ISA 315 – identifying and assessing the risks of material misstatement through understanding the entity and its environment;

- ISA 402 – audit considerations relating to an entity using a service organisation;

- ISA 500 – audit evidence (relevant to a management expert); and

- ISA 610 – using the work of internal auditors.

3   This paper sets out my proposed work, when it will be undertaken and who will undertake it.

External audit assurance arrangements

4   The Velindre NHS Trust's external audit team and the Wales Audit Office IM&T auditors have agreed arrangements to co-ordinate the work necessary to provide the assurances required by the local audit teams of individual health bodies. Local audit teams decide the work required on the services provided by NWSSP, relevant to their responsibilities for providing an opinion on health body financial statements. They consider whether testing of the key controls within the system, or substantive testing of the figures produced by the system, provides the required assurance in the most efficient way.

5   The assurances that local audit teams have requested for the 2018-19 financial statements are set out in Exhibit 1. The areas we will be auditing, with a brief description of the audit procedures and proposed dates for the audit visits are detailed in Appendix 1.

Exhibit 1: audit assurance arrangements

The table below sets out the content of the audit assurance work programme for 2019

NWSSP managed service	Audit assurance requirements
Understanding the entity and its environment (ISA 315)	
• Prescription Pricing System • National Health Application and Infrastructure Services (NHAIS) • Oracle Financial Management System (including e-invoicing trading platforms – GHX and Procserve) • Oracle ESR Payroll systems administration (user access to payroll elements only)	• Review, document and evaluate the IM&T environment and application controls.
Service organisation (ISA 402)	
• Primary Care Services (general medical and general pharmaceutical services) • Employment Services – payroll system • Procurement Services – accounts payables system	• Document financial systems, identify key controls and evaluate the system. • Controls or substantive testing, as determined by local audit teams.
Management expert (ISA 500)	
• Legal and Risk Services	• Document an understanding of the services provided. • Evaluate the competence, capability and objectivity of the service provider. • Evaluate the appropriateness of the work (as relevant to the work of the local audit teams).
Internal audit (ISA 610)	
• All-Wales 'management arrangements' • Internal audit services provided to individual NHS bodies	• Assessment of compliance with internal audit standards (applicable to overall management of internal audit services across NHS Wales) – which will include regular liaison with the Director of Audit and Assurance. • (Local audit teams may also need to assess compliance with standards relevant to internal audit work at each individual NHS body.)

6   The NWSSP manages a number of the national NHS IT applications and infrastructure which are used by other NHS organisations in Wales. The Wales Audit Office IM&T auditors will review the IM&T infrastructure and application controls that are applied to the following systems for the purposes of providing assurances for NHS audit opinions to local audit teams:

- Prescription Pricing System which is used to process prescriptions and calculate reimbursement for pharmacy contractor payments;

- National Health Application and Infrastructure Services (NHAIS) or Exeter, used for NHS demographics and calculating primary care General Medical Services (GMS) contractor payments;

- Oracle Financial Management System (FMS), including e-invoicing trading platforms GHX and Procserve, used by all of NHS Wales as the main accounting system for managing and producing the NHS accounts; and

- System administration functions for the payroll elements of the Electronic Staff Record (ESR) payroll system.

7   In addition, local audit teams have requested that we review all contracts greater than £1 million to ensure that appropriate approval has been sought from Welsh Government.

8   Local audit teams may determine that assurances are required, from other service areas of the NWSSP, during the course of the audit. If such work arises, we will discuss this with the NWSSP management and update the Audit Committee for Shared Services accordingly.

Fee, audit team and timetable

Fee

9   This work is being undertaken in order to provide local audit teams with assurance relevant to their responsibilities. The fee for this work will therefore be included in the individual health board and trust fees, as part of their annual audit outlines.

Audit team

10   The main members of my local audit team, together with their contact details, are summarised in Exhibit 2.

The table below provides details of my local audit team

Name	Role	Contact number	E-mail address
Ann-Marie Harkin	Engagement Lead – Financial Audit	02920 320562	ann-marie.harkin@audit.wales
Gillian Gillett	Financial Audit Manager	02920 829305	gillian.gillett@audit.wales
Julia Manfield	Financial Audit Team Leader	02920 320630	julia.manfield@audit.wales
Andrew Strong	Information Management & Technology Lead	02920 320587	andrew.strong@audit.wales

Timetable

11   The Wales Audit Office IM&T auditors and the Velindre NHS Trust audit team will issue reports that provide:

- appropriate assurances for local audit teams, or highlighting areas of concern that need to be addressed, in order for the local audit teams to form an opinion on the financial statements.

- provide a summary of the work undertaken, together with any matters arising that need to be considered by the NWSSP management. This report will also include any issues relating to NWSSP identified by other Welsh health auditors.

12   The assurance reports provided to local audit teams will be reported to the health board or trust's audit committee, where appropriate, as part of the audit of their financial statements. The report to the NWSSP management will be reported to the Velindre NHS Trust's Audit Committee for Shared Services, and shared with other audit committees, where matters arising affect their local responsibilities. My key milestones for reporting to NWSSP are set out in Exhibit 3.

Exhibit 3: timetable

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

Planned output	Work undertaken	Report finalised
2019 Audit assurance arrangements	November 2018	December 2018
Nationally Hosted NHS IT systems	January-April 2019	June 2019
Management letter	June 2019	July 2019

Appendix 1

Audit areas and proposed timing

Exhibit 4: audit areas and proposed timing

Audit areas	Proposed audit timing	Audit work
Internal audit	January 2019	Review Internal Audits' compliance with Public Sector Internal Audit Standards (PSIAS). Review their annual audit plan and status of their audits.
Payroll	March 2019	Update our understanding of the payroll system and identify key controls. Controls testing of exception reports.
General Medical Service South East Wales	January–March 2019	Update our understanding of the general medical service system and identify key controls. Controls testing of global sum payments (capitation lists and patient rates).
General Medical Services West Wales	January–March 2019	Update our understanding of the general medical service system and identify key controls. Controls testing of global sum payments (capitation lists and patient rates).
Pharmacy & Prescribed drugs	January–March 2019	Update our understanding of the pharmacy contract and prescribed drugs. Controls testing of payments to pharmacists (checks undertaken by the Professional Services Team and drug tariff rates).
Accounts Payable & Public Sector Payment Policy	January–March 2019	Update our understanding of the accounts payable system and undertake any substantive or controls testing as determined by local audit teams. Review the process of how PSPP works in NWSSP.
Procurement	April 2019	Review of contracts awarded with a value greater than £1 million.
Welsh Health Legal	December 2018 / January 2019	Assess the competence, capability and objectivity of NWSSP LARS staff (as required by ISA 500). Update our understanding of the systems used to record legal cases, the assumptions and methods used to populate Quantum reports. Test a sample of clinical negligence cases, reviewing the information collated on the Legal and Risk management system.
Nationally Hosted NHS IT systems – IT audit work	January-April 2019	Review our understanding of the general IT controls and identify key controls. Review, document and evaluate the IM&T environment and application controls. Test a sample of IT controls.

NHS Wales Shared Services Partnership

Audit Committee

22 January 2019

Internal Audit Progress Report

CONTENTS   Page

1.   INTRODUCTION

The purpose of this report is to highlight progress of the 2018/19 Internal Audit Plan at 16 January 2019 to the Audit Committee, together with an overview of other activity undertaken since the previous meeting.

2.   PROGRESS AGAINST THE 2018/19 INTERNAL AUDIT PLAN

Number of audits in plan	21
Of which:	
Reported as final	8
Reported as draft	1
In progress	9
At planning stage	2
Not started	1

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

3.   ENGAGEMENT

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

- Information Governance Steering Group
- All Wales P2P Group
- Advising the Supplier Maintenance Team on the supplier set-up/amendment process
- Counter-Fraud Planning Group
- Audit scoping and debrief meetings
- Liaison meetings with senior management

4.   RECOMMENDATION

The Audit Committee is invited to note the above.

2018/19 Internal Audit Plan

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

Assignment	Draft to Mgt Response (Days)	Status	Rating	Summary of Recommendations				Notes
				High	Medium	Low	N/A	
AUDITS FOR NWSSP								
FINANCE & CORPORATE SERVICES								
Business Continuity Plans		Work in progress						
Risk Management and Assurance		Work in progress						
BACS Bureau	5	Final	Reasonable	1	1	2		October Audit Committee
Welsh Language Standards	1	Final	Reasonable	1	2	0		January Audit Committee
Information Governance & GDPR		Planning						Scheduled for Q4
Welsh Infected Blood Support Scheme	23	Final	Reasonable	0	5	5		January Audit Committee
PROCUREMENT SERVICES								
Cwmbran Stores	21	Final	Reasonable	1	1	0		January Audit Committee
Health Courier Services	5	Final	Reasonable	1	3	3		October Audit Committee

Assignment	Draft to Mgt Response (Days)	Status	Rating	Summary of Recommendations				Notes
				High	Medium	Low	N/A	
PRIMARY CARE SERVICES								
General Ophthalmic Services (GOS)		Work in Progress						
Patient Medical Records	2	Final	Reasonable	0	3	3		January Audit Committee
Primary Care Payments System		Ongoing						Continuing monitoring developments
WORKFORCE & ORGANISATION DEVELOPMENT								
Annual Leave Management	75	Final	Reasonable	1	2	2		January Audit Committee
Recruitment and Retention (Advisory)		Draft	N/a					
IT								
IT Systems – virtualised environment								Scheduled for Q4
CAPITAL & ESTATES								
Primary Care Rental Reimbursement Reviews	12	Final	Reasonable	0	5	2		January Audit Committee

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

For Reference: The assurance ratings are defined as follows:

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

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

For Reference: _The priority of the findings and recommendations are as follows:_

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

Welsh Language Standards

Final Internal Audit Report

2018/19

NHS Wales Shared Services Partnership

Audit and Assurance Services

Private and Confidential

Reasonable Assurance
− +
Previous review rating: N/a – first review

CONTENTS

Review Reference:	NWSSP-1819-10
Report Status:	Final
Fieldwork completion:	13th November 2018
Debrief meeting:	19th December 2018 / 14th January 2019
Draft report issued:	16th November 2018 / 14th January 2019
Management response received:	15th January 2019
Final report issued:	15th January 2019
Executive sign off:	Andrew Butler – Director of Finance & Corporate Services
Distribution:	Neil Frow, Managing Director NWSSP Senior Management Team Peter Stephenson, Head of Finance & Business Development Non Richards, Welsh Language Officer
Auditors:	James Quance, Head of Internal Audit Sophie Corbett, Audit Manager Emma Rees, Principal Auditor
Committee:	Velindre University NHS Trust Audit Committee for NWSSP

ACKNOWLEDGEMENTS

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

1. EXECUTIVE SUMMARY

1.1 Introduction and Background

A review of the Welsh Language Standards ('the Standards') within NHS Wales Shared Services Partnership ('NWSSP') was be completed in line with the agreed 2018/19 Internal Audit Plan.

The executive lead for the assignment was Andrew Butler, Director of Finance & Corporate Services.

On the 20th of March 2018 the Assembly Members voted in favour of the Welsh Language Standards [No7.] 2018. The two key principles that underpin the Welsh language Standards are:

- in Wales, the Welsh Language should be treated no less favourably than the English Language; and
- persons in Wales should be able to live their lives through the medium of Welsh language if they choose to do so.

The Standards will require NWSSP to offer a bilingual service to patients, the public and NHS Wales organisations and staff. Non-compliance with the Standards could result in reputational damage or financial penalty of up to £5,000 per breach.

In July 2018, the Welsh Language Commissioner ('the Commissioner') issued a draft compliance notice, identifying 109 standards that public sector organisations are required to comply with within six months and five standards to be complied with within 12 months. NWSSP's response to the consultation on the draft compliance notice was submitted to the Commissioner as part of the Velindre NHS Trust submission. The Commissioner released the final compliance notice on 30th November 2018, shortly after our fieldwork was completed.

The audit sought to provide assurance to the NWSSP that the arrangements in place for ensuring compliance with the requirements of the Welsh Language Standards are managed appropriately.

The outcomes of this review can be linked to or contribute assurance in relation to:

- Key priority 3: *To have an appropriately skilled, productive, engaged and healthy workforce resourced to meet service needs.*
- Key priority 5: *To develop and extend the range of high quality services provided to NHS Wales and the wider public sector.*

1.2   Scope and Objectives

The overall objective of this audit was to evaluate the arrangements in place to ensure management takes appropriate action to achieve compliance with the Welsh Language Standards.

In order to provide this assurance, we considered:

- how NWSSP has assessed the impact of the Standards on the organisation;
- the process for creating plans to achieve compliance with the Standards and the process for determining the resource requirements to deliver these plans; and
- how staff are being made aware of the requirements of the Standards.

Limitations of scope

The audit was a high-level review of the actions NWSSP is taking to assess the impact of, and achieve compliance with, the Standards. We did not assess compliance with the Standards.

The Standards will come into force by the deadlines set by the Commissioner in the final compliance notice, although these deadlines are subject to challenge by NWSSP. At the time of our fieldwork (November 2018), NWSSP had not yet developed plans to achieve compliance because the final compliance notice had not been issued. Accordingly, this audit did not assess the adequacy of such plans, but rather the processes in place for the development thereof.

1.3   Associated Risks

The main risk considered in the review was the potential for financial penalties and reputational damage arising from failure comply with the Welsh Language Standards within the timescales agreed with the Welsh Language Commissioner.

2 CONCLUSION

2.1 Overall Assurance Opinion

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

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with the action taken to achieve compliance with the Welsh Language Standards is Reasonable Assurance.

RATING	INDICATOR	DEFINITION
Reasonable Assurance		NWSSP 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.

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

2.2 Assurance Summary Table

Assurance Summary					
1	Action to achieve compliance with the Welsh Language Standards			✔	

2.3 Design of System / Controls

The findings from the review have highlighted two issues that are classified as weaknesses in the system/control design to achieve compliance with the Welsh Language Standards.

2.4   Operation of System / Controls

The findings from the review have highlighted one issue that is classified as a weakness in the operation of the designed system/control to achieve compliance with the Welsh Language Standards.

2.5   Summary of Recommendations

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

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
Number of recommendations	1	2	0	3

3   SUMMARY OF AUDIT FINDINGS

The requirements of the Welsh Language Standards are comprehensive. The final compliance notice was received on 30th November 2018, shortly after our fieldwork was completed. The Commissioner has given some leeway by reducing the requirements of some of the Standards and extending the deadlines of others in comparison to the draft compliance notice. However, there has been little movement in the Standards identified by the Welsh Language Officer as having a high risk of non-compliance for NWSSP.

We recognise that NWSSP will challenge the Standards and/or deadlines that are considered unworkable, during which time the Commissioner will be unable to enforce compliance with those Standards. We further understand that management believes the Commissioner will be pragmatic in their approach to enforcing the Standards and will give credit where the organisation is taking appropriate action to achieve compliance. However, given only a small proportion of staff are proficient in the Welsh language (6% based on ESR Welsh language compliance figures), NWSSP has a great deal of work to undertake to ensure it has appropriate resource and is taking appropriate action towards achieving compliance within the timescales set out by the Commissioner in the final compliance notice.

Good practice identified

The Welsh Language Officer ('WLO') has undertaken a considerable amount of work to ensure the impact of the Standards has been communicated to both the Senior Management Team ('SMT') and NWSSP Committee ('SSPC'). This has included:

- providing a background to the Standards and an overview of the draft compliance notice consultation process and how the organisation was to respond to it;
- the impact assessments undertaken for each standard, identifying the standards that are achievable and those that present key risks to the organisation; and
- the response to the draft compliance notice.

The WLO has also developed a Welsh Language Awareness course, aimed at providing general, detailed guidance on the impact the Standards will have on day-to-day work. The WLO intends for every staff member in the organisation to attend this training. At the time of our audit, the course had been delivered to 60 staff within Primary Care Services and sessions were planned for Bridgend Stores.

Currently under development by the WLO are:

- a Welsh Language Strategy and Policy;

- further training courses to provide specific Welsh language support in areas required by the Standards, for example answering the phone, responding to emails, training for managers and recruitment and interviewing, etc.; and

- an Arrangements to Comply document, which outlines the actions required for achieving compliance, communicating the Standards with staff, recruitment, and Welsh language skills and training.

Alongside these, the WLO is responsible for developing the Welsh Language Unit ('WLU') Implementation Action Plan ('IAP') and overseeing the development of the divisional IAPs, procuring external translation services and Welsh language tuition, managing and supporting the organisation's in-house translators and administrative work (for example, room bookings for the Welsh language courses).

Findings

We identified one **High Priority** finding. NWSSP does not currently have an Implementation Action Plan to achieve compliance with the Welsh Language Standards, although management recognises the need for one. Whilst the Welsh Language Unit is currently recruiting to fill a translator vacancy and discussions are in progress around the potential to expand the team further, there is a risk that this level of resource may not be sufficient to implement, and maintain ongoing compliance with, the Standards. Management are aware of the need to revisit the initial impact assessments based on the final compliance notice, issued on 30th November 2018.

We have recommended that management revisit the impact assessment as soon as possible. We highlighted a number of points for consideration in this process. The revised impact assessment should be used to identify the resource requirements for the WLU, identify the key risks and priorities for NWSSP and develop an IAP to bring NWSSP into compliance with the Standards. The IAP should be sent to the NWSSP Senior Management Team ('SMT') for approval and ongoing monitoring.

We identified two **Medium Priority** findings relating to:

- Integration of the Standards: It appears that the Standards are largely being considered in isolation, rather than being integral to business discussions, for example around the IMTP, workforce issues/planning, risk management, etc. Including Welsh language priorities within the divisional IMTPs is key to ensuring the Standards become integral to everyday business.

- Staff Awareness of the Standards: Our work highlighted a lack of awareness of the Standards and the impact on day-to-day work

amongst staff. We understand the WLO has a number of ideas for initiatives to raise the profile of the Standards, which management should give consideration to. These ideas have not been progressed due to the many competing demands on the time of the WLO. Additionally, divisional management need to take responsibility to ensure their staff are informed and aware of the impact of the Standards.

Full details of our findings and recommendations are set out within Appendix A.

Finding 1 Implementation Action Plan (Operation)	Risk
NWSSP does not currently have an Implementation Action Plan ('IAP') to achieve compliance with the Welsh Language Standards, although management recognises that one is required. The requirements of the Standards are comprehensive. The organisation acknowledges that further resource is required to support the implementation of the Standards. The Welsh Language Unit ('WLU'), currently incorporating the WLO and one fixed term translator (until September 2019), is recruiting to fill a vacancy for a full time, permanent translator and discussions are in progress around the potential to expand the WLU further. However, there is a risk that this level of resource may not be sufficient to deal with the work required to implement, and maintain ongoing compliance with, the Standards. In March 2018, management undertook an impact assessment to understand how the Standards would affect the organisation. This process was based on the draft compliance notice and, therefore, is incomplete. Management are aware of the need to revisit the impact assessment based on the final compliance notice, which was issued on 30th November 2018. Our review of the initial impact assessment highlighted that: - the Finance & Corporate Services and Workforce & Organisational Development divisions did not complete an initial impact assessment for Schedule 1 (Service Delivery Standards); - the divisions were often unclear as to how the individual standards impacted them and whether or not they were relevant; - the RAG rating for the corporate level impact assessments for all four Schedules were often dependent on "adequate resource" being available and, therefore, are not reflective of the risk to NWSSP given the current level of resource (i.e., the level of risk may be higher than indicated in the impact assessment documents); and - there appears to be a lack of understanding of the role of the WLO. This may lead to a failure of the divisions to take ownership of actions required to achieve compliance and a continued expansion in the responsibilities and workload of the WLO.	NWSSP may not have sufficient resource to implement, or maintain compliance with, the Standards. The impact assessments are incomplete and, therefore, may not fully identify the impact of the Standards on the organisation. Failure to comply with the Standards, leading to potential financial penalties or reputational damage. Failure to promote and embed a strong bilingual ethos.

Recommendation 1	Priority level

1.1 Management should revisited the impact assessment in light of the final compliance notice, ensuring that all divisions complete the process, with support from the WLU as required. The RAG rating of the impact of each standard should take into account the organisation's current position and not the position if "adequate resource" were available
 	
1.2 The final impact assessment should be used to:
 	
  i. identify the resource requirements for the WLU and clarify the role of the WLO with the divisions;
 	
  ii. identify the key risks and priorities for NWSSP; and
 	
  iii. develop an IAP to bring NWSSP into compliance with the Standards, covering the actions required, responsible officers and implementation deadlines.
 	
1.3 SMT should approve the IAP.
 	
1.4 Regular progress reports on the IAP should be provided to divisional meetings (where relevant) and to SMT. Progress against the actions could be RAG rated to provide clear information where there is a risk an action may miss an implementation deadline, supported by an explanation of what is being done to manage this risk.
	High

Management Response 1	Responsible Officer/ Deadline
During the last 12 months, we have recruited an additional translator. In addition, we are currently in the process of recruiting to strengthen the available Welsh Language resource and have received 12 applications for our latest advertisement, which is encouraging. We also included additional resources in our 2019-21 IMTP for a Senior translator post and a Welsh Language support officer The impact assessment will be revisited as recommended, in the light of the final compliance notice, which was received from the Welsh Language Commissioner on 30th November 2018, although there	Head of Finance and Business Development 28 February 2019

is still the opportunity to appeal specific elements of the standards and we are liaising with WLOs in other NHS bodies to provide a collective voice back to the Commissioner.

We agree that an action plan which clearly prioritises actions and timescales is needed and that this will be reported to the NWSSP on a monthly basis. The WLO is already scheduled to attend the January SMT and this will be an ideal opportunity to present the action plan.

Finding 2 Integration of the Standards (Design)	Risk
It appears that the Standards have largely been considered in isolation and have not yet become integral to business discussions by the SMT and SSPC, for example around the IMTP, workforce issues/planning, risk management, etc. This is further evidenced in the 2018-2021 IMTP – although it does include a stand-alone section on the Welsh language, the Welsh language is notably missing from most other areas, including the divisional IMTPs (only Employment Services and Digital Workforce Solutions mention the Welsh language). At the time of the fieldwork (November 2018), the WLO had only been invited to the IMTP planning meetings for one division (Procurement Services), although we understand that she has been involved in the IMTP peer review process since then.	The Standards are not integral to everyday business, leading to higher risk of non-compliance.
Recommendation 2	**Priority level**
2.1 Management needs to ensure that the Standards become integral to everyday business. Key to this is the inclusion of Welsh language priorities within the divisional IMTPs and the involvement of the WLO in the divisional IMTP planning process.	Medium
Management Response 2	**Responsible Officer/ Deadline**
Noted - We continue to work with Directorates and the SMT to ensure that the requirements of the Welsh Language Standards are embedded into business-as-usual within NWSSP. The WLO will continue to meet regularly with Directors and attends their SMT meetings, as well as regularly updating the NWSSP SMT. There was a specific focus on ensuring that the Welsh Language (rather than specifically the requirements of the Standards) was formally recognised in the current draft of the IMTP. The WLO provided a comprehensive update at the Horizon scanning business planning session on 13th September and she also attended the peer review session with all directorates on 6 December. A	Head of Finance and Business Development 28 February 2019

further session for all the enabler functions (including Welsh Language) was held on 7 January. Progress will continue to be monitored via reporting of the action plan to SMT as agreed in Finding 1.

Finding 3 Staff Awareness (Design)	Risk
We undertook a brief survey of NWSSP staff across the divisions to ascertain the level of awareness of the Standards. 57% of respondents stated that they were not aware of the Standards. The remaining 43% felt they were somewhat aware of the Standards, but not how they would impact their day-to-day work. Only 7% of respondents felt the impact of the Standards had been communicated clearly to them. Therefore, it is clear there is much work to be done in raising staff awareness of the impact of the Standards on day-to-day work.

We understand that the WLO has developed a classroom-based Welsh language awareness course that will be delivered to staff across the organisation to assist in raising staff awareness of the Standards. At the time of the audit, 60 Primary Care Service staff had attended the training and sessions were planned for Bridgend Stores. However, we noted that this, and other Welsh language courses, are not currently available on ESR.

The intranet does have Welsh language pages which offer support and guidance on Welsh language issues, including key Welsh phrases and a Welsh out-of-office email translation. However, these pages do not make clear the impact of the Standards on day-to-day work. | Staff are unaware of the impact of the Standards on their day-to-day work, leading to potential non-compliance.

Failure to comply with the Standards, leading to potential financial penalties or reputational damage. |

Recommendation 3	Priority level
3.1 Alongside the Welsh language awareness course, we understand the WLO has a number of ideas for initiatives to raise the profile of the Standards throughout NWSSP. These include producing an NWSSP Welsh Language Policy, a 'Bore da / Prynhawn da' campaign (posters, intranet news, messages on electronic screens across all sites) and a Welsh Language Steering Group to assist the WLO with promoting the language and culture throughout the organisation. Management should give consideration to these ideas and provide adequate resource to support the promotion of the Welsh language and the Standards throughout the organisation.

3.2 All Welsh courses, be they awareness or language lessons, should be available on ESR. | Medium |

3.3 Management should consider making the Welsh language awareness course mandatory for all staff. 3.4 Full use should be made of corporate communications, including the intranet site, to raise awareness of the Standards and the impact they will have on day-to-day service operation. 3.5 Divisional management should also take responsibility to ensure that their staff are informed and aware of the impact of the Standards. This could be achieved through update emails communicating the impact assessments and implementation action plans and ensuring all staff attend the Welsh language awareness training.	
Management Response 3	**Responsible Officer/ Deadline**

Noted - Although we accept that we need to continue to raise awareness of the standards across NWSSP, we believe that the vast majority of staff are aware of the need to treat the Welsh Language no less favourably than English. The WLO has attended six out of the last twelve SMT meetings to update Directors, who also have a responsibility for cascading information to their respective teams and their directorates. In addition, communications, newsletters and posters have been available bi-lingually for some considerable time and 112 staff have attended entry level Welsh classes. In addition, the WLO is running Welsh language awareness sessions for NWSSP staff and has already provided sessions to over 80 staff. Specific training relating to the awareness of the standards has been documented with the following courses commencing in February 2019:
 	
  1) Welsh Language Standards 2018 Awareness Training for Heads of Services/Managers and Supervisors, and
 	
  2) Welsh Language Standards 2018 Awareness Training for Staff,
 	
These courses will be mandatory for all high risk staff and are classroom based.
 	
Progress in addressing all initiatives to raise awareness will be monitored through the action plan reported to SMT as per finding 1.
	Head of Finance and Business Development
	
	28 February 2019

Audit Assurance Ratings

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

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

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

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

Prioritisation of Recommendations

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

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

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

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Audit

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

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

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

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

Responsibilities

Responsibilities of management and internal auditors:

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

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

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Cwmbran Stores

Final Internal Audit Report

2018/19

NHS Wales Shared Services Partnership

Audit and Assurance Services

Private and Confidential

Reasonable Assurance

- +

CONTENTS

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Distribution:	Neil Frow, Managing Director
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	Richard Jones, Storage & Distribution Manager
Auditors:	James Quance, Head of Internal Audit
	Stephen Chaney, Deputy Head of Internal Audit
	Emma Rees, Principal Auditor
Committee:	Velindre University NHS Trust Audit Committee for NWSSP

ACKNOWLEDGEMENTS

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

1.   EXECUTIVE SUMMARY

1.1   Introduction and Background

A review of Cwmbran Stores within NHS Wales Shared Services Partnership (NWSSP) was completed in line with the agreed 2018/19 Internal Audit Plan.

The audit sought to provide assurance to management for NWSSP that risks material to the achievement of system objectives are managed appropriately.

1.2   Scope and Objectives

The overall objective of this audit was to evaluate and determine the adequacy of the systems and controls in place over the management of inventory at Cwmbran Stores.

We assessed the controls in place over the following system objectives:

- stock levels are recorded accurately and completely;
- stock levels are sufficient to meet customer demand on a timely basis;
- the risk of loss through theft is minimised; and
- the risk of loss through obsolescence is minimised.

1.3   Associated Risks

The risks considered in the review were

- error or misstatement in the financial accounts;
- insufficient stock levels to meet customer demand; and
- financial loss through theft or obsolescence.

2   CONCLUSION

2.1   Overall Assurance Opinion

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

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with the management of inventory at Cwmbran Stores is Reasonable Assurance.

RATING	INDICATOR	DEFINITION
Reasonable assurance	 - + Yellow	NWSSP 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.

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

2.2   Assurance Summary Table

Assurance Summary					
1	Stock levels are recorded accurately and completely		✓		
2	Stock levels are sufficient to meet customer demand on a timely basis			✓	
3	The risk of loss through theft is minimised			✓	
4	The risk of loss through obsolescence is minimised			✓	

2.3   Design of System / Controls

The findings from the review have highlighted no issues that are classified as weaknesses in the system/control design for the management of inventory at Cwmbran Stores.

2.4   Operation of System / Controls

The findings from the review have highlighted two issues that are classified as weaknesses in the operation of the designed system/control for the management of inventory at Cwmbran Stores.

2.5   Summary of Recommendations

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

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
Number of recommendations	1	1	-	2

3   SUMMARY OF AUDIT FINDINGS

The total value of inventory held at Cwmbran Stores is £594,900, made up of 1,228 stock lines (October 2018 figures). Stock items include food, medical consumables, bandages and dressings, laboratory equipment and cleaning and laundry products. Stock orders are placed with suppliers on a daily basis, either via the automated min/max report process or manually through Oracle iProcurement.

Cwmbran Stores supplies stocks to Aneurin Bevan University Health Board ('ABUHB'). Stock users within ABUHB place orders through Oracle iProcurement.

All stock lines are counted twice per year, once during the annual full stocktake in February and once via monthly partial stocktakes.

Findings

We identified one **High Priority** finding relating to the volume of stocktake adjustments. High levels of recounts and adjustments are required as a result of the stocktakes. For example, 381 out of 1,334 stock lines (32%) were recounted and 822 (62%) were adjusted as a result of the February 2018 stocktake. Additionally, staff do not retain evidence of the investigations into the reasons behind the adjustments and the adjustments have not received appropriate write off approval as required by the stock loss protocol; and

We also identified one **Medium Priority** finding. The documented stocktake procedures are not always adhered to, specifically with regard to the number of times stock is counted prior to being compared to the recorded figures in Oracle and the requirement for staff to sign off the stock count sheets they have completed.

Full details of our findings can be seen in Appendix A.

Finding 1 Stocktake Adjustments *(O)*	Risk
We identified that stocktakes result in a significant number of recounts and adjustments. For example, in the February 2018 stocktake, 381 of the 1,334 stock lines (32%) were recounted and 822 stock lines (62%) were adjusted. The net value of the adjustment was an £8,100 increase to stock with a total pre-count stock value of £709,100 (1%). Whilst the monetary impact is relatively low, it is the net of larger positive and negative adjustments on individual stock lines, a number of which were in excess of £1,000. None of the adjustments had not received appropriate write off approval as required by the stock loss protocol. Additionally, whilst all count sheets and Oracle adjustment reports are retained, we identified that staff do not retain any evidence of investigations undertaken prior to the adjustments being made. The Storage & Distribution Manager confirmed that there are high levels of adjustments at most stocktakes, albeit that the current level of adjustments represents an improvement on previous years. He further confirmed that investigations are carried out on stocktake variances prior to adjustment, including reviewing previous stocktakes, goods received notes, picking slips and invoices for each item, but acknowledged that there is insufficient evidence to support this process.	The recorded stock balance is inaccurate. Stocktakes are unnecessarily disruptive due to the number of stock lines that require recounting. Stocktakes may be ineffective in identifying stock loss through theft.
Recommendation 1	**Priority level**
1.1 Management should retain appropriate evidence of the investigations undertaken prior to processing stocktake adjustments and should ensure that appropriate approvals for adjustments are obtained as per the stock loss protocol. 1.2 Management should monitor trends in adjustments by stock line to identify particular risk areas and take appropriate action to address the issue. 1.3 Management should undertake spot checks on goods despatched, to ensure that compensating stock picking errors are identified. 1.4 Management should monitor the general trend in the number of adjustments at stocktakes. If the above controls do not help to bring the volume of adjustments down, management should consider	High

additional controls to ensure the accuracy of the recorded stock levels, such as increased supervision of staff or regular training and guidance via the monthly staff meetings. A member of the Internal Audit team would be available to attend the February 2019 stocktake in an advisory capacity, should management feel this would be beneficial.	
Management Response 1	**Responsible Officer/ Deadline**
1.1 Any high value items which are out by +/- £50 or quantities of +/- 50 are investigated on Oracle by RTJ i.e. booked in in error, and are then checked against the last stock take on that commodity.	RTJ/MS next stock take 11th January 2019.
1.2 Evidence will be retained of this process. This will be checked monthly on Oracle, and RTJ will send the report to MS for review.	RTJ/MS next stock take 11th January 2019.
1.3 This check should be evidenced by the signature on the picking slip. This was previously done, but was stopped due to time pressures. RTJ has met with his band 4s since the audit and it has been reintroduced – the roles carrying out the documented spot checks will be: Storage and Distribution Manager, Shift Manager, Senior Supply Chain Officer, and Stores Supervisor. This will be evidenced by a spreadsheet, showing the details of items checked and any anomalies, which will be maintained by the Storage and Distribution Manager.	RTJ/MS next stock take 11th January 2019.
1.4 Following on from the audit RTJ will keep a running spreadsheet of all of the stock take adjustments, and include this with the stock take information. Cwmbran Stores would welcome an Audit presence at the next stock take – we will update Audit with dates.	RTJ/MS next stock take 11th January 2019. RTJ/MS next stock take 11th January 2019. The annual stock take will be carried out between 7th and 16th February 2019.

Finding 2 Stocktake Procedures *(O)*	Risk
The documented stocktake procedures ('the procedures') were not being adhered to as follows: • the procedures require that all items be subject to a first and second count at each stocktake prior to being compared to the recorded stock figures in Oracle. At Cwmbran Stores, stock is only subject to a first count prior to being compared to Oracle. • the procedures require that stock be counted in pairs and that stock count sheets should be signed and dated by both counters. This is not being routinely done at the Cwmbran Stores stocktakes. For example, in February 2018, all 14 schedules of stock were counted. However, signatures were only noted on some of the count sheets for one of the schedules. Whilst the Storage & Distribution Manager confirmed that stock is counted in pairs, we were unable to ascertain if this was the case or to identify who counted the stock items.	The recorded stock balance may be inaccurate. Stocktakes are unnecessarily disruptive due to the number of counts required. Stocktakes may be ineffective in identifying stock loss through theft.
Recommendation 2	**Priority level**
2.1 Management should consider whether a second full count prior to comparison to Oracle is surplus to requirements, particularly because comparing the first count directly to the recorded figures would identify the need for any recounts. 2.2 Management should ensure that staff sign and date each stock take sheet as they count the stock. This could be achieved through having a section or stamp on each sheet for the signatures.	Medium
Management Response 2	**Responsible Officer/ Deadline**
• It is noted that the auditor has verbally recommended that the procedures could be altered to reflect that the stocktake can be compared to the recorded stock figures in Oracle after one stock count, not two.	RTJ/MS next stock take 11th January 2019.

• RTJ is adamant that he carries out more than one count before referencing Oracle, and he will retain physical evidence of this for future stock takes. MS will visit Cwmbran Stores to confirm this at future stock takes, before the stock take reports are distributed. • Stock takes are conducted in pairs, but at the complete annual stock take in February 2018 this did not take place due to time pressures. On 17th December 2018 MS went to Cwmbran Stores and spot checked the stock take records for the months of April, May, June, November and December. All were found to have been checked and signed in pairs. Going forward each stock take record will be signed in pairs under the headings: Stock taken by, Certified by, and then signed off by RTJ.	RTJ/MS next stock take 11th January 2019.

Audit Assurance Ratings

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

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

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

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

Prioritisation of Recommendations

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

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

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

Confidentiality

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

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Audit

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

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

Responsibilities

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

Cwmbran Stores

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NHS Wales Audit & Assurance Services

Primary Care Services

Patient Medical Records Store and Scan on Demand Service
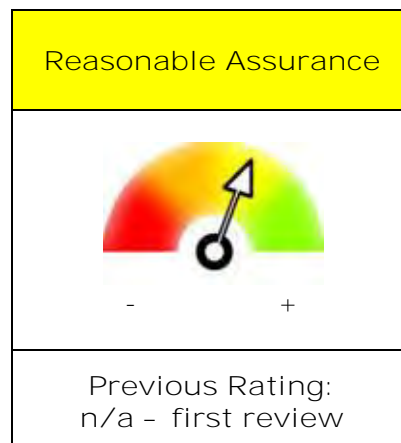
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2018/19

NHS Wales Shared Services Partnership

Audit and Assurance Services

Private and Confidential

Reasonable Assurance
-       +
Previous Rating: n/a – first review

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Auditors:	James Quance, Head of Internal Audit Sophie Corbett, Audit Manager Alan Johnstone, Principal Auditor
Committees:	Velindre University NHS Trust Audit Committee for NWSSP

ACKNOWLEDGEMENTS

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

1.   EXECUTIVE SUMMARY

1.1   Introduction and Background

A review of the arrangements in place for the administration and management of the Patient Medical Records Store and Scan on Demand Service (PMR) within NHS Wales Shared Services Partnership (NWSSP) has been completed in line with the 2018/19 Internal Audit Plan.

To provide financial savings and further GDPR (General Data Protection Regulations) control, NWSSP has approached each Health Board and NHS organisation in Wales to offer storage facilities for 'live' patient medical records. The storage at Mamhilad covers the records for both current and deceased patients for GP practices within Wales. The process for deceased patients has been implemented within NWSSP for a number of years, whereas the storage of live patient medical records is a new initiative being offered by NWSSP to each health board / organisation since 2016.

The service is expected to expand to accommodate up to 80% of live patients records within Wales. For the GP practices, the service potentially offers financial savings over the storage costs for patient medical records and a robust cataloguing service for easy retrieval of records, if required. In addition, it provides a central secure facility for all records, potentially reducing capital and revenue costs for individual GP practices. The non-financial benefits for GP practices include the reallocation of primary care estate and the ability to provide new and enhanced services within the community including at a broader cluster level. The underlying benefits support the shift of services from secondary to primary care as highlighted in "A Healthier Wales".

1.2   Scope and Objectives

The overall objective of this audit was to evaluate and determine the adequacy of the systems and controls in place for the retention and management of 'live' patient medical records and to assess whether anticipated benefits are being realised.

Any weaknesses have been brought to the attention of management and advice provided on how particular matters may be resolved and the control environment strengthened to minimise future occurrence.

The specific objectives of the review were as follows:

- policies and procedures are in place for the retention and management of 'live' patient medical records, including:

- o the transfer of the original records from a GP practice participating in the scheme;

- o the cataloguing of records and the correct archiving for future retrieval;

- o 'internal' transfers, for example when a patient changes their GP practice;

- o the issuing of records to a GP practice or other appropriate organisations;

- o the digitising and scanning of records, as appropriate;

- the facility for storing records is secure, including limited access to only appropriate personnel, fire suppression and protection from other sources of potential damage (e.g. water leaking); and

- expected benefits over the centralisation of patient medical records are being realised.

The audit examined a sample of current 'live' patient records only, as part of the Patient Medical Records process, to ensure that they were stored and referenced correctly.

1.3   Associated Risks

The potential risks considered in the review were as follows:

- patient medical records are lost, damaged or destroyed;

- records are not released on a timely basis;

- breaches of confidentiality and data protection requirements occur; and

- defined benefits of the centralised service are not achieved.

2   CONCLUSION

2.1   Overall Assurance Opinion

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

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with the management and administration of Patient Medical Records Store and Scan on Demand Service is Reasonable Assurance.

RATING	INDICATOR	DEFINITION
Reasonable assurance	 - + Yellow	The Trust 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.

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

2.2   Assurance Summary

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

Audit Review Area				
1	Policies and Procedures			✔	
2	Record Storage			✔	
3	Benefits Realisation			✔	

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

2.3   Design of System / Controls

The findings from the review have highlighted six issues that are classified as weaknesses in the system/control design for PMR. These are identified in Appendix A as *(D)*.

2.4   Operation of System / Controls

The findings from the review has highlighted two issues that are classified as a weakness in the operation of the designed system/control for PMR. This is identified in Appendix A as *(O)*.

2.5   Summary of Recommendations

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

A summary of these recommendations by priority is outlined below:

Priority	H	M	L	Total
Number of recommendations:	0	3	3	6

3   SUMMARY OF AUDIT FINDINGS

The following examples of good practice were identified:

- written procedures have been provided and outline the process appropriately;
- records are securely handled and in our testing were all appropriately stored;
- on demand scan and storage process ensures records are appropriately authorised before transfer and then securely transferred within deadlines; and
- physical on-site security is appropriate and well managed.

We identified three medium priority findings:

Transfer of Records

Establishing the Number of Records Expected for Transfer

PCS produce a list of records expected to be transferred based on the patients registered with the practice. A label is produced for each patient which the surgery must place on the file prior to sending to PCS. The GP surgery is not required to provide a list of records to be transferred to PCS. Procedure requires that any unused labels are returned which in theory would enable reconciliation against the patient list. However, we understand that unused labels are rarely returned.

Verification Checks

There is a two-stage checking process to confirm that all expected records have been received and processed. Review of the verification check process identified the following observations:

1. Requiring GP surgeries to confirm exactly which records are being transferred would potentially remove the need to perform the first check.
2. Any records that remain unaccounted for following the two checks are notified to the GP surgery. This is referred to as a third 'practice' check, although confirmation that the GP surgery has been informed is not documented and PCS do not seek confirmation that the records have been located.
3. According to the verification spreadsheet, checks had only been completed for 25 of the 78 GP surgeries. We were advised that the spreadsheet was not up to date, so it was not clear if checks were due (i.e. transfer of records complete) for the remaining 53 GP surgeries.

4. For the 25 GP surgeries where checks had been completed:

- 7,715 records were initially unaccounted for;
- This reduced to 4,285 following the first check (to identify patients who have moved practice or died prior to record transfer);
- 3,561 records were located during the second check which suggests that there is an issue in the scanning of records on receipt; and
- 724 records remained unaccounted for, at the time of audit, following completion of both checks.

We were unable to determine what proportion of the expected records to be transferred were represented by the unaccounted records.

5. There is a significant backlog in the conduct of the second stage of the verification process. One example was noted in which 1,400 of 4,544 expected records (31%) had not been accounted for after the first check. The secondary check commenced in January 2018 but was incomplete at the time of audit (December 2018). The GP surgery has not yet been informed of the unaccounted records so it is possible that they have been retained by the surgery.

See Finding 1 at Appendix A

Accountability & Reporting of Missing Records

We were advised that it would be the responsibility of the surgery to report any missing records to the Information Commissioner. However, it is not clear within the SLA or standard operating procedure at which point responsibility for the records (including accountability for and reporting of missing records) transfers between the surgery and PCS.

Delays in completion of the verification checks will inevitably delay the reporting of any records subsequently confirmed as missing to the Information Commissioner, regardless of whether this is the responsibility of PCS or the GP surgery.

See Finding 2 at Appendix A

Audit Checks

The PCS Admin Team operate an independent "audit" arrangement, whereby they review 5% of incoming records at random to ensure that these are safely stored within the appropriate place.

The check was introduced after errors were found in the returns process. The level of checking was previously 10% but this has been reduced to 5% as the volume of records coming into the store has increased over time.

We noted two issues:

- the check is intermittently undertaken due to resource availability; and
- if the record cannot be found, the Admin Officer notifies the Store Manager for them to undertake further checks but no confirmation or further action is taken by the Admin Team to confirm that the record has subsequently been found.

See Finding 3 at Appendix A

Fire Suppression Arrangements

We established that there is a fire suppression system currently in place but as previously identified by management, this does not cover all areas where medical records are stored. Management have sought to mitigate the risk by providing mobile racking within those areas where the fire suppression coverage is available and by transferring records from deceased individuals into the exposed areas. There however remains a risk to the safe storage of live medical records.

Reported for Information – No Recommendation Raised

We also identified three low priority findings, detailed within Appendix A, relating to:

- Service Level Agreements (*see Finding 4 at Appendix A*);
- performance monitoring arrangements *(see Finding 5 at Appendix A);*
- evidence of receipt of records returned to Surgeries *(see Finding 6 at Appendix A).*

MANAGEMENT ACTION PLAN

Finding 1: Transfer of Records *(D + O)*	Risk
Establishing the Number of Records Expected for Transfer PCS produce a list of records expected to be transferred based on the patients registered with the practice. A label is produced for each patient which the surgery must place on the file prior to sending to PCS. The GP surgery is not required to provide a list of records to be transferred to PCS. Procedure requires that any unused labels are returned which in theory would enable reconciliation against the patient list. However, we understand that unused labels are rarely returned. Verification Checks There is a two-stage checking process confirm that all expected records have been received and processed: 1. An initial administrative check to identify whether the records were legitimately not provided (e.g. if the patients have moved practice or died during the period between generating the initial patient list and receipt of the labelled records); and 2. A physical check of the store to identify whether the relevant records had not been scanned upon receipt. Requiring GP surgeries to confirm exactly which records are being transferred would potentially remove the need to perform the first check. Any records that remain unaccounted for following the two checks are notified to the GP surgery. This is referred to as a third	Patient medical records are lost. Non-compliance with the General Data Protection Regulations. Reputational damage.

'practice' check, although confirmation that the GP surgery has been informed is not documented, and PCS do not seek confirmation that records have been located.

According to the verification spreadsheet checks had only been completed for 25 of the 78 GP surgeries. We were advised that the spreadsheet was not up to date, so it was not clear if checks were due (i.e. transfer of records complete) for the remaining 53 GP surgeries.

For the 25 GP surgeries for which checks had been completed:

- 7,715 records were initially unaccounted for;

- This reduced to 4,285 following the first check (to identify patients who have moved practice or died prior to record transfer);

- 3,561 records were located during the second check which suggests that there is an issue in the scanning of records on receipt; and

- 724 records remained unaccounted for, at the time of audit, following completion of both checks.

We were unable to determine what proportion of the expected records to be transferred were represented by the unaccounted records.

There is also a significant backlog in the conduct of the second stage of the verification process, which will delay the identification and reporting of unaccounted records.   One example was noted where of 1,400 of 4,544 expected records (31%) had not been accounted for after the first verification check. The secondary (physical) check commenced in January 2018 but was incomplete at the time of audit (December 2018). The GP surgery has not yet been informed of the unaccounted records, so it is possible that they have been retained by the surgery.

Recommendation 1	Priority level
1. PCS should require GP surgeries to provide a list of patient medical records being transferred to PCS. This would potentially remove the need for the first check, which currently involves PCS establishing which records wouldn't have been transferred to them in the first place. 2. The verification spreadsheet should be kept up to date to maintain an accurate record of checks completed and records unaccounted for. 3. Confirmation that the GP surgery has been informed of unaccounted records should be documented on the verification spreadsheet. PCS should confirm with the surgery whether or not records have been located. 4. A root cause analysis exercise should be undertaken to identify the issue in scanning records received, which is a significant factor in the volume of records initially unaccounted for. 5. The backlog of second stage checks should be cleared.	Medium

Management Response 1	Responsible Officer/ Deadline
1. Consideration would need to be given on the impact/sustainability on GP Practices in providing a list/catalogue of their records. Sustainability issues within GP Practice would be a factor. In fact the GP Practice should only have the records of their Registered Population on their premises, and this list is dictated by their capitation populated on the NHAIS system which PCS manage. Where records are discovered at the GP premises and not on NHAIS, PCS take these records and re-work them to the correct organisation (GP Practice, Death, or Suspense)	Nicola Phillips – June 19

2. Agree – it is imperative the verification detail is accurately maintained at PCS. We currently chase missing records with the GP Practice but will inform timescales in a revised SLA arrangement, with requirements on the GP Practice to conform to GDPR rules.	Nicola Phillips – June 19
3. As above KPIs will be introduced to define the timescales within the verification process. This will enable PCS to close any unresolved issues with the GP practice.	Nicola Phillips – June 19
4. We would wish to discuss this further as the likely reason for the differences at the verification stage is likely to relate to branch surgery intakes at different timings or merger difficulties in transport by HCS, however it is agreed this would need to be documented accordingly.	Nicola Phillips – June 19
5. Agreed – a programme of work to clear the backlog is being arranged, this will be highlighted as a key point in the revised SLA and targets provided for completion together with regular reporting.	Nicola Phillips – June 19

Finding 2: Accountability & Reporting of Missing Records *(D)*	Risk
We were advised that it would be the responsibility of the surgery to report any missing records to the Information Commissioner. However, it is not clear within the SLA or standard operating procedure at which point responsibility for the records (including accountability for and reporting of missing records) transfers between the surgery and PCS. Delays in completion of the verification checks will inevitably delay the reporting of any records subsequently confirmed as missing to the Information Commissioner, regardless of whether this is the responsibility of PCS or the GP surgery.	Patient medical records are lost. Non-compliance with the General Data Protection Regulations. Reputational damage.
Recommendation 2	**Priority level**
The point at which responsibility for patient medical records, including accountability for and the reporting of, missing records and transfers between the GP surgery and PCS should be clarified within the service level agreement and/or standard operating procedures.	Medium
Management Response 2	**Responsible Officer/ Deadline**
Agreed – PCS are currently undertaking a review of the SLA/ SOP to support the growing of the PMR programme. We will engage with NWSSP, Information Governance Manager to ensure clear lines of responsibility are included. The revised SLA will look to highlight the responsibilities for PCS and GP Practices to inform the authorities when GDPR requirements dictate engagement.	Nicola Phillips – June 19

Finding 3: Audit Checks *(D + O)*	Risk
PCS Admin Team operate an independent "audit" arrangement, whereby they review 5% of incoming records at random to ensure that these are safely stored within the appropriate place. The check was introduced after errors were found in the returns process. The level of checking was previously 10% but this has been reduced to 5% as the volume of records coming into the store has increased over time. We noted two issues: • the check is intermittently undertaken due to resource availability; and • if the record cannot be found, the Admin Officer notifies the Store Manager for them to undertake further checks but no confirmation or further action is taken by the Admin Team to confirm that the record has subsequently been found.	Failure to ensure the appropriate storage and security of records.
Recommendation 3	**Priority level**
PCS should review the audit process to: 1. Ensure that all records are selected for check are found, or reported missing if appropriate 2. Consider the frequency of checks and the control benefits obtained by undertaking the check against the resource implications of it being undertaken	Medium

Management Response 3	Responsible Officer/ Deadline
Agreed – Both points will be considered as part of an internal review to ascertain the applicability of this check and whether it will continue or be removed. PCS are presently in the process of piloting software (Transearch) that provides seamless patient to record store allocation.	Nicola Phillips – August 19

Finding 4: Service Level Agreements *(D)*	Risk
For those GP surgeries using the storage service, there are individual SLAs in place with the exception of surgeries within Aneurin Bevan University Health Board (ABUHB), which is actively engaged with the service and has an overarching SLA covering all practices. The sample of five SLAs reviewed were all for an initial 12 month period, some of which had expired. The SLAs include an option for extension however these had not been applied. We understand that the PCS are currently conducting a review of the SLA process. *See also Finding 2: Accountability & Reporting of Missing Records*	Confidential information is not properly managed leading to potential data protection breaches
Recommendation 4	**Priority level**
As part of the review of SLA arrangements, PCS should remove the annual extension requirement, and instead provide a revised annual payment schedule.	Low
Management Response 4	**Responsible Officer/ Deadline**
Please refer to Recommendation 2 above - PCS are currently undertaking a review of the SLA/ SOP to support the expansion of the PMR programme. As the NWSSP overarching SLA has now been updated to include delivery of this service, then we will adopt an annual payment schedule arrangement and move away from an annual SLA with each service user. The variation in how the PMR service is funded has partly led to this position however this will now be corrected during our review.	Nicola Phillips – June 19

Finding 5: Performance Monitoring *(D)*	Risk
<u>Return of Records</u> GP surgeries are required to provide copy medical records to third parties (such as solicitors) within 28 days of the request. Timely provision of records by PCS is key to enabling the surgeries to comply with this target. At present, although there is an informal internal target that returns should be provided within 7 days, there is no agreed formal target, and consequently no performance monitoring of the time taken to do so. We did find in our testing of ten such record requests that this informal target is being met but we believe it would be useful to formally set and agree this target and monitor accordingly. <u>Scan on Demand</u> PCS has informally committed, via marketing literature, to an informal target of 24hrs to digitise and return scanned medical records. However, there are no monitoring arrangements in place to ensure adherence to this target. We believe that having a formal monitoring arrangement would highlight the level of achievement and/or any ongoing issues around target achievement.	Failure to identify and address delays in processing requests. Processing delays within PCS could contribute to GP surgeries being unable to respond to requests for medical records within the required timescales.
Recommendation 5	**Priority level**
A specific target for the return of records should be introduced and performance against this target should be monitored. A performance monitoring arrangement for Scan on Demand should be established to identify and monitor the period of time taken to digitise and return scanned records.	Low

Management Response 5	Responsible Officer/ Deadline
Please refer to Recommendation 1, Pt 3. KPIs will be introduced to enable PCS to define timescales with both the return of records and the Scan on demand service. This will enable PCS to close any unresolved issues with the practice and monitor performance.	Nicola Phillips – June 19

Finding 6: Receipt of Records Returned *(D)*	Risk
There is no confirmation of receipt of returned records provided by the GP surgeries, other than a record that a bag had been dispatched to the surgery as part of routine arrangements, for which they have then confirmed. It is unclear from the records maintained as to whether this bag contains either several or zero records, and that therefore whether it can be confirmed that specific records have been returned. We believe that a more comprehensive receipt of the record should be obtained, with the Health Courier Service and the GP signing for a specific number of records, rather than for a bag.	Records may not be securely returned or may be lost in transit.
Recommendation 6	**Priority level**
PCS should obtain a more comprehensive receipt of the records returned, from both the Health Courier Service and the GP signing for a specific number of records.	Low
Management Response 6	**Responsible Officer/ Deadline**
Agreed – This process is currently under review as it is recognised that the tracking arrangements with the PMR programme need to replicate those already adopted within the current registration tracking arrangements. Appropriate IT hardware / software is being explored.	Nicola Phillips – June 19

Audit Assurance Ratings

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

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

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

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

Prioritisation of Recommendations

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

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

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

Confidentiality

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

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Audit

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

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

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

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

Responsibilities

Responsibilities of management and internal auditors:

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

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

Contact details:

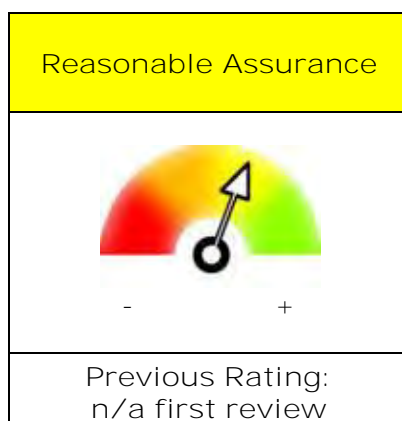James Quance (Head of Internal Audit) – 01495 300841
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Annual Leave Management

Final Internal Audit Report

2018/19

NHS Wales Shared Services Partnership

Audit and Assurance Services

Reasonable Assurance
-        +
Previous Rating: n/a first review

CONTENTS

Review Reference: NWSSP-1819-09
Report Status: Final

Fieldwork completion: 4th October 2018
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Audit management sign-off: 10th October 2018
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Final report issued: 17th January 2019

Executive sign off: Gareth Hardacre, Director of Workforce & Organisational Development
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                               Emma Rees, Principal Auditor

Committee: Velindre University NHS Trust Audit
                                        Committee for NWSSP

ACKNOWLEDGEMENTS

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

Please note:

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

1.   EXECUTIVE SUMMARY

1.1   Introduction and Background

A review of Annual Leave Management within NHS Wales Shared Services Partnership (NWSSP) was completed in line with the agreed 2018/19 Internal Audit Plan.

The aim of the audit was to review the management of annual leave within a sample of NWSSP divisions to ensure that entitlement is taken in accordance with policy.

The audit sought to provide assurance to management for NWSSP that risks material to the achievement of system objectives are managed appropriately.

The outcomes of this review can be linked to or contribute assurance in relation to:

- Corporate Objective 3: *To have an appropriately skilled, productive, engaged and healthy workforce resourced to meet service needs.*

1.2   Scope and Objectives

The overall objective of this audit was to evaluate and determine the adequacy of the systems and controls in place over the management of annual leave.

The objectives reviewed were to ensure that:

- staff take their full annual leave entitlement throughout the year;
- annual leave is adequately planned to ensure service continuity; and
- annual leave is calculated accurately for:
  - new starters and leavers;
  - part-time staff, staff on annualised hours or term-time working contracts;
  - amendments to contracted hours;
  - length of service;
  - staff not on ESR;
  - staff returning from long-term sickness; and
  - Staff who have purchased annual leave.

Where a division uses Canol to manage annual leave, we have considered the controls in place to ensure that ESR accurately reflects the information within Canol.

Limitations of Scope

The audit only included re-performance of annual leave entitlement calculations where we were unable to formally verify the operation of a control. In this instance, we performed analytics or detailed tests to ascertain whether the controls were functioning as intended. We did not validate the formulae within the spreadsheet for the 'annual leave entitlement calculator'.

This audit covered annual leave only, therefore excluded the management of flexi, special, compassionate and other leave.

The following limitations of scope arising during the audit were as follows:

- management of annual leave for bank staff was not covered;
- we did not test the annual leave approval hierarchy within either ESR or Canol; and
- We did not test the accuracy or completeness of the paper-based annual leave approval system used by HCS.

1.3   Associated Risks

The risks considered in the review were as follows:

- staff do not receive their full annual leave entitlement;
- negative impact on staff health and well-being from individuals not taking their full annual leave entitlement at appropriate times throughout the year; and
- divisions are unable to maintain service continuity due to poorly managed annual leave.

2   CONCLUSION

2.1   Overall Assurance Opinion

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

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with Annual Leave Management is Reasonable Assurance.

RATING	INDICATOR	DEFINITION
Reasonable assurance	 - + Yellow	NWSSP 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.

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

2.2   Assurance Summary Table

Assurance Summary				
1	Staff take their full annual leave entitlement throughout the year		✔		
2	Annual leave is adequately planned to ensure service continuity			✔	
3	Annual leave is calculated accurately for complex situations			✔	

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

2.3   Design of System / Controls

The findings from the review have highlighted one issue that is classified as a weakness in the system/control design for annual leave management.

2.4   Operation of System / Controls

The findings from the review have highlighted four issues that are classified as weaknesses in the operation of the designed system/control for annual management.

2.5   Summary of Recommendations

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

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
Number of recommendations	1	2	2	5

3   SUMMARY OF AUDIT FINDINGS

We considered the management of annual leave across three areas within NWSSP: Primary Care Services ('PCS'), Accounts Payable ('AP') and Health Courier Services ('HCS').

Our work included:

- analytical review on the timeliness of requesting and booking annual leave;
- analytical review on the amount of leave taken to date and the leave remaining in 2017/18;
- reconciling Canol to ESR for a sample of 19 PCS staff;
- ensuring that bank holidays had been checked on ESR for 2017/18 and 2018/19 for a sample of 29 staff;
- checking the approval and processing of carried over leave for all staff within the three divisions (four staff in total);
- checking the approval and processing of purchased leave for a sample of fourteen staff; and
- re-performing entitlement calculations for a sample of 28 staff in complex situations, for example, part-time, long-term absence, length of service increase, etc.

We also considered:

- how workloads are planned within teams to ensure staff are able to take their full leave entitlement whilst service continuity is maintained;
- whether local policies are in place for managing leave in peak periods, for example, at Christmas;
- how annual leave was managed for staff on long term sickness absence for a sample of six staff; and
- how annual leave was managed for staff on maternity leave for a sample of five staff.

Findings

We identified one **High Priority** finding relating to the use of ESR. ESR is NHS Wales' official system for the request, approval and management of annual leave. However, we identified that it is not always used as such. Additionally, we noted a higher rate of non-compliance with policy where ESR is not being used appropriately (see finding 3).

With the exception of the Prescription Processing and GMS & Core Services teams, PCS uses Canol (an NWIS timesheet system) to request, approve and manage annual leave. Staff are required to ensure that ESR is also kept up to date with annual leave activity. However, PCS does not undertake a reconciliation between ESR and Canol and our work identified that Canol and ESR did not agree for 14 out of a sample of 19 PCS staff members for whom we undertook a Canol-ESR reconciliation. Other work identified a further 13 staff where the two systems did not agree. Therefore, ESR is not reflective of the leave booked in Canol and vice versa.

PCS has begun to address the identified differences between ESR and Canol and PCS staff are being reminded to ensure annual leave is booked in ESR. We have recommended that Canol be used as a timesheet system only and all annual leave be managed through ESR.

HCS has traditionally managed annual leave via a paper based request and approval system. Within the current year, arrangements have been made to increase IT availability within the division, including the issue of mobile devices with internet access to all HCS operatives.

However, we were informed of 22 HCS staff members who are currently reluctant to use ESR due to a lack of confidence in their IT skills. HCS managers have provided training and guidance to all operatives on the use of ESR. We understand that HCS management want all staff using ESR to manage annual leave by the end of the current year. We concur with this and have recommended that managers should enforce this by not allowing leave to be taken unless it has been booked and approved through ESR.

We identified two **Medium Priority** findings relating to final annual leave calculations and non-compliance with policy.

- we believe that one of three leavers tested did not receive payment for 44 hours of annual leave remaining at the point of termination (worth approximately £400). We have recommended that clearer guidance be developed on the required actions in the leavers' process; and

- a number of areas of non-compliance with the Annual Leave Policy and related policies were identified, including: bank holidays are not

always booked in ESR; lack of awareness of the implications of long term absence on annual leave; managers and supervisors were not always aware of the requirement to check the accuracy of annual leave entitlement calculations, leading to inaccuracies in ESR and on final payslips for leavers (see finding above).

Two Low Priority findings were identified concerning carry-over of annual leave, purchased leave and inaccuracies within the ESR 2017/18 entitlement status report.

Full details of our findings can be seen in Appendix A.

Finding 1: Use of ESR *(O)*

	Risk
ESR is not always used as the primary system for managing annual leave.	There are significant inefficiencies and duplication of effort in maintaining two separate systems for annual leave.

ESR is not always used as the primary system for managing annual leave.

Primary Care Services

With the exception of the Prescription Processing and GMS & Core Services teams, PCS uses Canol (an NWIS timesheet system) to request, approve and manage annual leave. Staff are required to ensure that ESR is also kept up to date. PCS does not undertake a reconciliation between ESR and Canol. Our reconciliation (at 30 August 2018) of a sample of 19 staff identified that the two systems did not agree for 14 staff, including:

- five staff where more leave had been booked in Canol than on ESR;
- four staff where no leave had been booked in ESR despite 100+ hours having been booked/taken in Canol;
- two staff where more leave had been booked in ESR than on Canol; and
- three staff where overall annual leave entitlements were calculated incorrectly in Canol, resulting in up to a 30-hour overstatement of leave entitlement within Canol.

Differences between ESR and Canol were identified for an additional 13 staff during the course of other testing undertaken for this audit. Therefore, it is clear that ESR is not reflective of the leave booked and taken in Canol, and vice versa. This finding was also raised in our 2015/16 departmental review of PCS and action taken to remind staff to ensure ESR is accurate. However, the findings from this audit show that the problem persists and the number of instances where the systems do not agree is unacceptably high.

Health Courier Services

HCS has traditionally managed annual leave via a paper based request and approval system. Spreadsheets are used to monitor entitlement remaining and for service planning purposes. Within the current year, arrangements have been made to increase IT availability within the division, including the issue of mobile devices with internet access to all HCS operatives. However, we were informed of 22 HCS staff members who are currently reluctant to use ESR due to a lack of confidence in their IT skills. HCS managers continue to maintain the paper based approval system and monitoring

Risk

There are significant inefficiencies and duplication of effort in maintaining two separate systems for annual leave.

Maintaining duplicate systems increases the risk of fraud or error, potentially leading to employees taking more leave than they are entitled to.

If ESR is not up to date, annual leave entitlement may be calculated incorrectly during long-term absences, maternity leave, carried over leave or upon termination.

spreadsheets to manage leave and have provided training and guidance to all operatives on the use of ESR. However, they have not updated ESR for these staff members because they want all staff to take responsibility of this for themselves.

Note: We noted a higher rate of non-compliance with policy where ESR is not being used appropriately (see finding 3) and we did not identify any issues in AP, where ESR is being used consistently and effectively.

Recommendation 1	Priority level
ESR should be used as the primary system for the request, approval and management of annual leave across NWSSP. If supplementary systems are being used for time-recording or other management activities, controls should be put in place in order to ensure that annual leave recorded in those systems is consistent with ESR as the primary record of annual leave for all relevant employees. Primary Care Services: We are pleased to report that PCS has begun to take action to address the differences identified between Canol and ESR and that PCS staff are being reminded to ensure annual leave is booked on ESR. However, we further recommend that Canol should not be used for the request and approval of annual leave. Health Courier Services: We understand that HCS management want all staff using ESR to be recording annual leave in ESR by the end of the current year. We concur with this. Managers should enforce this by not allowing leave to be taken unless it has been requested and approved through ESR. NWSSP management: Management should identify any division, department or team that is not using ESR for the booking and approval of annual leave, ensure this practice is stopped and that the use of ESR is enforced. Furthermore, management should investigate whether data from ESR can be used to monitor its use for recording annual leave.	High

Management Response 1	Responsible Officer/ Deadline
The responsibility for the management, monitoring and recording of annual leave on ESR is a management responsibility and not a WOD responsibility. An end of year report will be produced by W&OD to monitor compliance and balances across NWSSP. In addition, W&OD will carry out spot checks periodically to monitor compliance across NWSSP and feedback to Managers if there re concerns about the underutilisation of ESR for the recording and approval of annual leave	Sarah Evans May 2019
Management Response 1	Responsible Officer/ Deadline
Primary Care Services: Ensure that Canol is no longer used for the purposes of approval of annual leave, and reinforce this discipline across the service. Health Courier Services: Good progress continues to be made within HCS and the utilisation of ESR. This will continue into the new year via the HCS management team.	Dave Hopkins January 2019 Mark Roscrow January 2018

Finding 2: Final payslips *(D)*	Risk
As part of our testing on entitlement calculations, we tested whether annual leave had been calculated correctly on the final payslip for three leavers. We believe that one of these leavers (within HCS) did not receive payment for 44 hours of annual leave remaining at the point of termination (worth approximately £400). We have queried this issue with their line manager, W&OD and Payroll, but we were unable to obtain an explanation as to why this employee did not receive the annual leave payment they appear to have been entitled to. Their line manager processed the termination through ESR Self Service and did not realise that they needed to inform Payroll of any adjustments required for final pay. Payroll and W&OD stated they were unable to provide any explanation because Payroll rely on the information supplied by line managers when processing terminations. Due to this issue, we further identified that the guidance around processing leavers is unclear. There is no checklist in place to ensure all actions have been undertaken when an employee hands in their resignation. The written guidance for ESR does mention using a termination form. However, all links to this form are broken. The ESR training on processing leavers does not mention the need for a termination form at all. The training and guidance does not clearly state that ESR does not automatically calculate annual leave remaining or overtaken upon termination.	Annual leave payments and deductions in final payslips may be incorrect. Leavers may have been over or underpaid.
Recommendation 2	**Priority level**
NWSSP should develop a leaver's checklist, which explicitly states what line managers are expected to do to ensure that all required actions in the leavers' process are undertaken on a timely basis. Furthermore, the ESR guidance should be updated to clearly state that ESR does not automatically calculate annual leave remaining or overtaken upon termination.	Medium

Management Response 2	Responsible Officer/ Deadline
The current arrangements as outlined in Velindre University Trust's Exit Interview Policy will be reviewed and it will be determined whether an additional Leaver's checklist is required for NWSPP <u>or</u> further communication/guidance is required in relation to the existing process. Going forward, we will explore the functionality within ESR to confirm outstanding annual leave at the point of termination.	Bev Palmer March 2019

Finding 3 Non-compliance with policy *(O)*	Risk
Bank holidays We selected a sample of 29 staff across the three divisions to ensure bank holidays had been booked in ESR throughout 2017/18 and 2018/19, noting the following: • two out of ten PCS staff had not booked all of their bank holidays on ESR. Our reconciliation between ESR and Canol identified a further five staff who had not booked bank holidays in ESR that had already passed during 2018/19; and • six out of nine HCS staff had not booked all of their bank holidays on ESR. Some of these may be due to shift working over bank holidays. However, we were unable to fully investigate this due to HCS staff not consistently using ESR for annual leave (see finding 1). No issues were noted within AP, where all bank holidays for 2017/18 and 2018/19 had been booked by all ten staff in the sample. **Long term absence** We identified one instance where an AP employee lost 31 hours of 2017/18 leave because it could not be carried over. The employee and their line manager did not realise annual leave could be taken during sickness absence. W&OD were advising on this absence. **Entitlement calculations** Managers and supervisors were not always aware of the requirement to check the accuracy of annual leave entitlement calculations within ESR. They were also not always aware of the annual leave calculator that can assist with these checks. In our testing of the entitlement calculations for 28 staff across the three divisions, we identified one HCS entitlement where the ESR entitlement was two hours higher than our expectations – this difference could not be explained.	Annual leave is not being requested on a timely basis, leading to potential issues with service continuity. Staff may not be taking their full leave entitlement spaced throughout the year, potentially having a negative impact on staff health and well-being. Staff may take more leave than they are entitled to. Staff may not receive their full annual leave entitlement whilst on long-term absence. Entitlement calculations in ESR may be inaccurate. Staff may over or undertake their leave entitlement.

Recommendation 3	Priority level
Management should ensure that the Annual Leave Policy and related policies, for example sickness absence, maternity, etc. are followed by all staff, particularly with regard to the non-compliances identified above. Managers and supervisors should be encouraged to seek advice from W&OD where they are unsure on any aspects of the policies. W&OD could produce 'crib sheets' to enable managers and supervisors to quickly grasp the key points of their policies and when further advice might be necessary.	Medium
Management Response 3	**Responsible Officer/ Deadline**
W&OD will review the process and guidance provided to managers and staff, including the publicising of the guidance via the Intranet. The risks identified will also be incorporated into relevant policy training sessions. Bank Holiday dates and ESR guidance will be distributed to staff and managers at the start of the annual leave year outlining the recording requirements.	Bev Palmer March 2019 Bev Palmer March 2019

Finding 4 Leave carried over and purchased annual leave *(O)*	Risk
Within the three divisions covered by this review, annual leave was only carried over from 2017/18 in exceptional circumstances. No leave was formally carried over within PCS and four staff members from HCS and AP each carried over one week or less. Of these four, we identified that two cases within AP where the leave carried forward had not been processed through ESR, including one which had not been formally approved by the Director of Procurement. Additionally, we were informed that some managers within PCS have allowed the informal carry-over of small amounts of annual leave, by adding the annual leave to flexi-leave balances. Due to the informal nature of this, we have been unable to ascertain the extent to which this is happening. We were informed by W&OD that the divisions should each maintain a list of staff who have purchased annual leave. PCS have not maintained such a list and discussions with the Director of Primary Care Services identified that there needs to be greater awareness of the amount of annual leave that is being purchased.	Staff may be inappropriately carrying forward annual leave. Informal annual leave carryover may have a negative impact on service continuity. The year-end holiday accrual in the financial accounts may be misstated. Divisional directors and heads of service may not be aware of the extent of annual leave purchased, increasing the risk of a negative impact on service continuity.
Recommendation 4	Priority level
Management should enforce the Annual Leave Policy with respect to carried over annual leave. Specifically: • annual leave should only be carried over in exceptional circumstances where staff have been prevented from taking leave for business reasons; and • all carried over leave, regardless of the amount, should be approved by the Director of Service and processed through ESR.	Low

A reminder should be sent to all staff to clarify the above and that it is not appropriate to allow informal carryover of leave. All divisions should maintain a list of staff who have purchased annual leave.	
Management Response 4	**Responsible Officer/ Deadline**
A review of the year end carry over process will be undertaken to enable a communication of the rules to all employees. This will include a report of all approved annual leave carried over. A central register will be maintained of all annual leave purchased.	Bev Palmer March 2019 Christine Richards January 2019

Finding 5 Inaccuracy in ESR entitlement status report *(O)*	Risk
During the audit, we identified a number of inaccuracies in the 2017/18 ESR Entitlement Status Report provided by W&OD, particularly for PCS staff. Specifically: • six staff within PCS appeared to have significant leave remaining balances per this report but had actually taken all leave within the year, albeit not all leave was processed through ESR (see finding 1); • three HCS staff had booked all of their leave through ESR yet appeared to have remaining leave balances on this report of over 100 hours; • one staff member within HCS had 75 hours leave remaining, yet this report showed their balance to be -0.25 hours; and • 24 negative leave remaining balances within this report across the three divisions, none of which could be explained. This report is not currently widely used across the divisions and managers are not generally aware of it. However, it would provide a useful management tool for annual leave and managers did express an interest in being able to use such a report.	Annual leave may not be effectively managed.
Recommendation 5	**Priority level**
We have provided specific details of these inaccuracies to W&OD and recommend that they be fully investigated to ensure this report can be run accurately should it be used as an annual leave management tool.	Low
Management Response 5	**Responsible Officer/ Deadline**
Review the feasibility of the producing an organisational wide ESR Entitlement Status report twice yearly for discussion at respective SMTs Review the individual cases provided by Audit for proofing.	Sarah Evans March 2019 Shelley Williams January 2019

Audit Assurance Ratings

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

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

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

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

Prioritisation of Recommendations

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

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

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

Confidentiality

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Audit

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

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

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

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

Responsibilities

Responsibilities of management and internal auditors:

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

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

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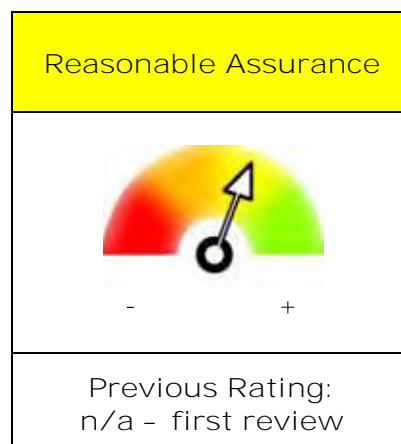
Corporate Services

Wales Infected Blood Support Scheme

Final Internal Audit Report

2018/19

NHS Wales Shared Services Partnership

Audit and Assurance Services

Private and Confidential

Reasonable Assurance
-       +
Previous Rating: n/a – first review

CONTENTS

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Executive sign off:	Andrew Butler, Director of Finance & Corporate Services
Distribution:	Neil Frow, Managing Director Martin Riley, Head of Finance Mary Swiffen-Walker, Service Manager, WIBSS
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Committees:	Velindre University NHS Trust Audit Committee for NWSSP

ACKNOWLEDGEMENTS

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

1.   EXECUTIVE SUMMARY

1.1   Introduction and Background

A review of the arrangements in place for the administration and management of the Wales Infected Blood Support Scheme (WIBSS) within NHS Wales Shared Services Partnership (NWSSP) has been completed in line with the 2018/19 Internal Audit Plan.

WIBSS was established in October 2017 following a Welsh Government consultation to provide ex-gratia support to people affected by HIV and/or hepatitis C following NHS treatment with blood or blood products.

Support was previously provided through five infection-specific charitable trusts across the UK (Eileen Trust, Macfarlane Trust, MFET Ltd, Skipton Fund and Caxton Foundation). However, each trust made different discretionary payments using their own varying criteria which ensured that these support systems became complex and attracted criticism from those it was intended to help.

The WIBSS team now oversees the provision of support to approximately 200 people who transferred to the scheme from the legacy trusts. WIBSS offer a dedicated website, a single point of contact and also help the scheme members navigate the healthcare system by acting as their key worker.

1.2   Scope and Objectives

The overall objective of this audit was to assess the adequacy and effectiveness of the processes and controls in place for the management and administration of WIBSS to ensure that payments were appropriate, timely and accurate.

Any weaknesses have been brought to the attention of management and advice provided on how particular matters may be resolved and the control environment strengthened to minimise future occurrence.

The specific objectives of the review were as follows:

- policies/procedures had been developed that aligned with Welsh Government guidance;
- risks were managed in accordance with the NWSSP Risk Management Protocol;
- adequate checks were performed to determine the completeness and accuracy of member data transferred;
- checks were performed to confirm the eligibility of members transferred;
- new applications were appropriately assessed and authorised;
- ongoing eligibility of members was periodically verified; and

- payments to members were accurate, timely and properly authorised.

1.3   Associated Risks

The potential risks considered in the review are as follows:

- risks are not managed appropriately;
- data transferred from legacy trusts is inaccurate or incomplete;
- payments are not accurate or timely; and
- fraud.

2 CONCLUSION

2.1 Overall Assurance Opinion

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

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with the management and administration of WIBSS is Reasonable Assurance.

RATING	INDICATOR	DEFINITION
Reasonable assurance	 - + Yellow	The Trust 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.

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

2.2 Assurance Summary

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

Audit Review Area				
1 Policies and Procedures			✔	
2 Risk Management			✔	
3 Data Transfer			✔	
4 New Applicants			✔	

Audit Review Area					
5	Ongoing Eligibility			✔	
6	Payments			✔	

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

2.3 Design of System / Controls

The findings from the review have highlighted nine issues that are classified as weaknesses in the system/control design for WIBSS. These are identified in Appendix A as *(D)*.

2.4 Operation of System / Controls

The findings from the review has highlighted one issue that is classified as a weakness in the operation of the designed system/control for WIBSS. This is identified in Appendix A as *(O)*.

2.5 Summary of Recommendations

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

A summary of these recommendations by priority is outlined below:

Priority	H	M	L	Total
Number of recommendations:	0	5	5	10

3   SUMMARY OF AUDIT FINDINGS

The following examples of good practice were identified:

- liaison with UK counterpart schemes to learn from their experiences in establishing the schemes and inform the development of the WIBSS Staff Procedure Guide in areas not covered by the Welsh Government (WG) National Health Service (Wales) Act 2006 Wales Infected Blood Support Scheme Directions 2018 ('WG Directions');

- the draft WIBSS Staff Procedure Guide clearly sets out the specific checks that must be undertaken on new applications;

- collaboration with Velindre Cancer Centre Welfare Officers, Citizens Advice Bureau and NHS Medical Consultants to support existing beneficiaries and new applicants on welfare matters;

- all beneficiaries transferred from the legacy schemes have been contacted to confirm their details including name, address and bank account details prior to payments being made;

- new application forms are received directly from the medical professional declaring eligibility for the scheme;

- proof of bank details (e.g. copy bank statement) is required for new applicants or changes to bank details for existing beneficiaries; and

- all payment data-loads are prepared by the Finance Officer and reviewed by the Service Manager and Head of Finance prior to authorisation by the Director of Finance & Corporate Services.

We identified five medium priority findings:

1. Policies & Procedures

In anticipation of beneficiaries transferring from the legacy Trusts, WIBSS reviewed the Scottish Government (SG) Directions (Scottish beneficiaries had transferred in April 2017) to allow for the early development of operating systems.

WG directions granting WIBSS the fundamental powers to operate and control the process for administering the scheme were published on the 11th October 2017. On review of the WG Directions, WIBSS determined that they were less comprehensive than the SG Directions, in particular the following elements had been omitted:

- application procedure;
- appeals process; and
- grants/discretionary payments.

We understand that WG has instructed WIBSS to develop its own processes and guidance in areas not covered by the WG Directions. A Staff Procedure Guide is being developed, based fundamentally on the WG Directions and supplemented by the SG Directions where necessary.

The Staff Procedure Guide and Appeals Process documents are in draft format and yet to be completed, finalised and approved. We recognise that this is in part due to the infancy of the Scheme and the short timescales within which it was established.

Review of the draft Staff Guidelines document identified opportunities for enhancement – further detail is provided at Appendix A.

See Finding 1 at Appendix A

2. Risk Management

High level risks pertinent to WIBSS have been identified as part of a risk assurance mapping exercise supported by the Head of Finance & Business Development. At the time of audit fieldwork the Service Manager confirmed that these risks had not been documented within a risk register. We were subsequently provided with a draft risk register prior to the issue of the draft audit report.

The register identifies ten high level risks (including the five identified in the risk assurance map) and is in the standard NWSSP template. Inherent and current risk scores have been assessed and target scores identified.

However, actions required to reduce four of the ten risks to the target level have not been identified. There is also no evidence that 'critical' risks (i.e. those scored 15 and above) have been escalated to the Senior Management Team for consideration for inclusion on the corporate risk register where appropriate.

See Finding 2 at Appendix A

3. Data Transfer

Beneficiaries' data was transferred to WIBSS in the form of an Excel database via an nhs.net email account established for the purpose of transfer.

Verification of Beneficiary Data Transferred

To date, access to beneficiaries' medical records has been denied due to confidentiality and an ongoing public enquiry. Consequently, it has not been possible for WIBSS to verify that all individuals included on the database are

bona fide and that their details, including the level of payment they are entitled to, are correct.

There is an inherent risk that the data may have been fraudulently or incorrectly amended prior to transfer, for example:

- ineligible beneficiaries added to the database;
- names and/or contact details amended; and
- incorrect payment entitlement.

The Head of Finance advised that this risk is acknowledged and accepted by WG and WIBSS, on the basis that there is no feasible means of verification. However, the risk is not identified on the draft risk register or risk assurance map.

See Finding 3 at Appendix A

Completeness & Accuracy of Data Transferred

The Service Manager advised that checks were undertaken to ensure the completeness and accuracy of the data transferred. However, there are no working papers available to evidence this and the individual involved in the transfer has ceased employment with NWSSP. Recognising that the data transfer was a one-off event, no recommendation is raised in this respect.

We have verified the WIBSS database to the source data provided by the legacy trusts with no anomalies identified.

Reported for Management Information

4. Review of Payment Data-Loads and Month End Reconciliations

Payments are processed on a monthly basis via a data-load sent to Accounts Payable. The data-load is prepared by the Finance Officer based on the WIBSS Finance database which calculates the monthly payment due to each beneficiary. The Finance Officer advised that checks are undertaken to ensure that the data-load agrees to the WIBSS Finance database, although these checks are not documented.

The data-load is reviewed and approved by the WIBSS Service Manager and Head of Finance prior to approval for payment by the Director of Finance & Corporate Services. The Head of Finance advised that this review includes a check of the total value of the data-load to the WIBSS Finance spreadsheet, although these checks are not documented. Furthermore, this check would not identify any incorrect or fraudulent transactions that appear in both the data-load and WIBSS Finance spreadsheet (i.e. because they would still reconcile). Options for enhancing existing checking controls were discussed

with the Head of Finance and are set out within the recommendation at Appendix A.

We were also informed that the WIBSS Finance spreadsheet is reconciled to the ledger as part of month end processes. This involves checking that the total value of payments agrees, and a more detailed check of a sample of 10-20 payments to beneficiaries. These checks are not documented. The Finance Officer demonstrated the checks undertaken which we then re-performed for months 1-9 2018/19. No issues were identified.

See Finding 4 at Appendix A

5. Approval of Data-Loads

WIBSS payments to beneficiaries are deemed as 'ex-gratia' payments and as such they are governed by the Velindre University NHS Trust Standing Orders (SOs) and Standing Financial Instructions (SFIs). Payment data-loads are approved for payment by the Director of Finance & Corporate Services.

However, this is not reflected within the scheme of delegation within the SFIs, which have not been updated following the establishment of WIBSS. Consequently, whilst we are satisfied that the payments are being authorised by an appropriate officer, this arrangement is currently in contravention of the extant SFIs.

See Finding 5 at Appendix A

We also identified five low priority findings, detailed within Appendix A, relating to:

- authorisation of new applications (see Finding 6 at Appendix A);
- timeliness of payments to beneficiaries (see Finding 7 at Appendix A);
- ongoing eligibility checks *(see Finding 8 at Appendix A)*;
- maintenance of beneficiary records on the Oracle payments system *(see Finding 9 at Appendix A)*; and
- the verification of doctors declaring eligibility and submitting application forms on behalf of applicants *(see Finding 10 at Appendix A)*.

MANAGEMENT ACTION PLAN

Finding 1: Policies and Procedures *(D)*	Risk
In anticipation of beneficiaries transferring from the legacy Trusts, WIBSS reviewed the Scottish Government (SG) Directions (Scottish beneficiaries had transferred in April 2017) to allow for the early development of operating systems. WG directions granting WIBSS the fundamental powers to operate and control the process for administering the scheme were published on the 11th October 2017. On review of the WG Directions, WIBSS determined that they were less comprehensive than the SG Directions, in particular the following elements had been omitted: • application procedure; • appeals process; and • grants/discretionary payments We understand that WG have instructed WIBSS to develop its own processes and guidance in areas not covered by the WG Directions. A Staff Procedure Guide is being developed, based fundamentally on the WG Directions and supplemented by the SG Directions where necessary - the Appeals Process document is an example of this. The Staff Procedure Guide and Appeals Process documents are in draft format and yet to be completed, finalised and approved. We recognise that this is in part due to the infancy of the Scheme and the short timescales within which it was established. Review of the draft Staff Guidelines document identified the following opportunities for enhancement:	The process of operation is not explicitly defined, impacting on the strength of the governance arrangements and increasing the risk of non-compliance with WG Directions.

- defining the procedure, roles and responsibilities of the staff responsible for reviewing and approving/rejecting applications;

- inclusion of Form H and I documentation and narrative;

- amending an incorrect reference which directs the reader to 'Making Payments section (2.1) Page 17' which is currently on Page 15;

- clarification of the process for calculating backdated payments; and

- duplicate payment recovery process.

Management Action 1	Priority level
The Staff Procedure Guide and 'Appeals Process' documents should be finalised, ensuring the issues identified above are addressed, and approved. Once the Staff Procedure Guide is finalised, WIBSS should consider liaising with Welsh Government with the aim of updating the WG Directions to reflect the approved process of operation in areas not already covered by the WG Directions and achieve consistency with UK counterpart schemes.	Medium
Management Response 1	Responsible Officer/ Deadline
Agreed. Documents currently being finalised. Regular meetings are scheduled with Welsh Government and the Directions are a standing item always discussed.	Mary Swiffen-Walker March 2019 Ongoing

Finding 2: Risk Management *(D)*	Risk
High level risks pertinent to WIBSS have been identified as part of a risk assurance mapping exercise supported by the Head of Finance & Business Development. At the time of audit fieldwork the Service Manager confirmed that these risks had not been documented within a risk register. We were subsequently provided with a draft risk register prior to the issue of the draft audit report. The register identifies ten high level risks (including the five identified in the risk assurance map) and is in the standard NWSSP template. Inherent and current risk scores have been assessed and target scores identified. However, actions required to reduce four of the ten risks to the target level have not been identified. There is also no evidence that 'critical' risks (i.e. those scored 15 and above) have been escalated to the Senior Management Team for consideration for inclusion on the corporate risk register where appropriate.	Actions to reduce risks to an acceptable level are not identified or implemented. Red risks or those deemed outside of the control of WIBSS are not reported to Senior Management Team or included on the corporate risk register where appropriate.
Recommendation 2	**Priority level**
The risk register should be completed and agreed with the Director of Finance & Corporate Services. Actions identified to mitigate risk to an acceptable level (the target risk score) should be identified. All risks assigned a risk owner responsible for monitoring the risk and ensuring actions identified to mitigate risk are implemented. Any 'critical' risks or those deemed to be outside of the control of WIBSS should be escalated for inclusion on the corporate risk register, where appropriate. The risk assurance map should be updated if necessary to include the additional risks identified within the risk register.	Medium

Management Response 2	Responsible Officer/ Deadline
The Risk Register is now complete and WIBSS will ensure that the Risk Escalation Process is followed.	Mary Swiffen-Walker March 2019

Finding 3: Verification of Beneficiary Data Transferred *(D)*	Risk
To date, access to beneficiaries' medical records has been denied due to confidentiality and an ongoing public enquiry. Consequently, it has not been possible for WIBSS to verify that all individuals included on the database are bona fide and that their details, including the level of payment they are entitled to, are correct. There is an inherent risk that the data may have been fraudulently or incorrectly amended prior to transfer, for example: • ineligible beneficiaries added to the database; • names and/or contact details amended; • incorrect payment entitlement; and • eligible beneficiaries omitted, which could result in a new application and duplicate payment of the initial lump sum already paid to the beneficiary by the former Trust(s). The Head of Finance advised that this risk is acknowledged and accepted by WG and WIBSS, on the basis that there is no feasible means of verification. However, the risk is not identified on the draft risk register or risk assurance map.	Beneficiaries included within the original database transferred may not be eligible for the payments currently being received.
Recommendation 3	**Priority level**
The inherent risks associated with the data transferred from the legacy Trusts should be recognised on the risk register and risk assurance map. These risks should be reported to the NWSSP Senior Management Team.	Medium

Management Response 3	Responsible Officer/ Deadline
As the finding states this was an agreed transfer process which was agreed by Welsh Government and which we inherited. This process has also been adopted by the other three UK countries. However, the inherent risk is noted and will be incorporated onto the WIBBS risk register. This risk register will be reviewed in accordance with the NWSSP risk management procedure and reported to SMT if the relevant criteria for reporting is met.	Martin Riley March 2019

Finding 4: Review of Payment Data-Loads and Month End Reconciliations *(D)*	Risk
Payments are processed on a monthly basis via a data-load sent to Accounts Payable. The data-load is prepared by the Finance Officer based on the WIBSS Finance database which calculates the monthly payment due to each beneficiary. The Finance Officer advised that checks are undertaken to ensure that the data-load agrees to the WIBSS Finance database, although these checks are not documented. The data-load is reviewed and approved by the WIBSS Service Manager and Head of Finance prior to approval for payment by the Director of Finance & Corporate Services. The Head of Finance advised that this review includes a check of the total value of the data-load to the WIBSS Finance spreadsheet, although these checks are not documented. Furthermore, this check would not identify any incorrect or fraudulent transactions that appear in both the data-load and WIBSS Finance spreadsheet (i.e. because they would still reconcile). We were also informed that the WIBSS Finance spreadsheet is reconciled to the ledger as part of month end processes. This involves a checking the total value of payments agrees, and a more detailed check of a sample of 10-20 payments to beneficiaries. These checks are not documented. The Finance Officer demonstrated the checks undertaken which we then re-performed for months 1-9 2018/19. No issues were identified.	Incorrect or inappropriate payments which could result in reputational damage or financial loss.
Recommendation 4	**Priority level**
The expected total monthly/quarterly payment value should be determined and used as a baseline for checking the payment data-loads prior to authorisation and processing. Any variation between the data-load and baseline amount (such as new beneficiaries, lump sum and grant payments) should be identified in a reconciliation. This reconciliation should be reviewed and any reconciling items verified too supporting evidence by the WIBSS Service Manager and/or Head of Finance. A documented audit trail of checks and reconciliations undertaken should be maintained.	Medium

Management Response 4	Responsible Officer/ Deadline
Agreed and implemented for the payment run in January 2019. A pro-forma for documented audit trail of checks and reconciliations is being devised for use at month end.	Mary Swiffen-Walker Rishi Rai March 2019

Finding 5: Approval of Payment Data-Loads *(D)*	Risk
WIBSS payments to beneficiaries are deemed as 'ex-gratia' payments and as such they are governed by the Velindre University NHS Trust Standing Orders (SOs) and Standing Financial Instructions (SFIs). Payment data-loads are approved for payment by the Director of Finance & Corporate Services. However, this is not reflected within the scheme of delegation within the SFIs, which have not been updated following the establishment of WIBSS. Whilst we are satisfied that the payments are being authorised by an appropriate officer, this arrangement is currently in contravention of the extant SFIs.	Breach of SFIs
Recommendation 5	**Priority level**
The scheme of delegation within the Velindre University NHS Trust SFIs should be updated to reflect the approval arrangements for WIBSS payments.	Medium
Management Response 5	**Responsible Officer/ Deadline**
Noted The sign off of WIBBS expenditure is undertaken in accordance with approval limits set out in the SFIs for NWSSP expenditure. The NWSSP Scheme of Delegation is currently being updated and more specific reference will be made to WIBBS expenditure.	Martin Riley April 2019

Finding 6: Authorisation of New Applications (D)	Risk
Officers responsible for scrutinising and approving applications to join the scheme are not identified within the WIBSS Staff Procedure Guide. We were informed that in practice they are signed off by the WIBSS Service Manager and Head of Finance. A sample of eight (out of 11) new applications was reviewed: • three had no evidence of authorisation – all three were prior to implementation of the WIBSS Approval Form in March 2018; and • three had a WIBSS approval form signed by the WIBSS Service Manager and the Head of Finance or Velindre Cancer Centre Director of Operations.	New applications may not be appropriately scrutinised and approved, which could potentially result in ineligible applicants being added to the scheme.
Recommendation 6	**Priority level**
Officers responsible for scrutinising and approving application forms should be identified within the WIBSS Staff Procedure Guide.	Low
Management Response 6	**Responsible Officer/ Deadline**
Agreed. The WIBSS Staff Procedure Guide will be updated to reflect this.	Mary Swiffen-Walker March 2019

Finding 7: Timeliness and Accuracy of Payments to Beneficiaries *(D)*	Risk
Beneficiaries should receive payment to their bank account on the closest working day to the 20th of the month. Early or late payments can have a significant impact on beneficiaries, some of whom are particularly vulnerable. Payments are processed by NWSSP Accounts Payable in accordance with the payment run timetable for Velindre University NHS Trust. This has resulted in a late payment in November 2017 (the first payment by WIBSS) and early payments on 10 occasions between December 2017 and November 2018. In February 2018 payment was processed eight days early resulting in a gap of over five weeks (instead of the usual four weeks) between the February and March 2018 payments. Efforts to rectify this have resulted in duplicate payments as follows: • In November 2018 a payment of £34,875 was processed twice due to an error with the bank details and confusion as to whether or not the payment had been returned. This was immediately identified by Velindre University NHS Trust Finance Team and action instigated to recover the overpayment. The debt remains outstanding and is being pursued by Velindre University NHS Trust Debtors Team. • In January 2018 same day payments were processed by Velindre University NHS Trust Finance Team, at the request of WIBSS, as the data-load was not processed in time (due to a misunderstanding between WIBSS and Accounts Payable) to ensure payment by the 20th January. This resulted in 51 beneficiaries receiving duplicate payments. We confirmed that all have been recovered.	Inconvenience or financial hardship caused to beneficiaries as a result of early/late payments. Reputational damage.
Recommendation 7	**Priority level**
The possibility of a separate payment run for WIBSS payments, timed to ensure beneficiaries received payment on the 20th of the month, should be explored with Accounts Payable.	Low

Management Response 7	Responsible Officer/ Deadline
We have contacted Accounts Payable to set up a meeting to discuss possible options. We are also exploring the option of an automated system for regular payments.	Martin Riley April 2019

Finding 8: Ongoing Eligibility *(D)*	Risk
Beneficiaries will only become ineligible for payments on death. At the outset of the audit the Service Manager advised us that checks were not undertaken to confirm that the beneficiaries transferred from the legacy trusts were still alive (and therefore eligible for payments) at the time of transfer. WIBSS is therefore reliant on notification of death from the beneficiary's family, so there is a risk of overpayment if notification is not received. We acknowledge that the availability of bereavement and widows payments on death of a beneficiary reduces this risk. We were subsequently advised that checks against the Welsh Demographics Service (WDS) database had now been undertaken (during the audit) by the Velindre Cancer Centre Benefit Support Officer. Twenty-five beneficiaries could not be located on the WDS database as they are not registered at a GP Practice within NHS Wales. We understand that access to the National Demographics Service database to enable the checking of beneficiaries outside of Wales is being explored.	Overpayment following the death of a beneficiary.
Recommendation 8	**Priority level**
Access to the NDS database should be arranged. Periodic checks of the WDS and NDS (if access is obtained), should be undertaken to verify the ongoing eligibility of beneficiaries. The Staff Procedure Guide should then be updated to reflect eligibility checking arrangements.	Low
Management Response 8	**Responsible Officer/ Deadline**
Agreed	Mary Swiffen-Walker May 2019

Finding 9: Maintenance of Beneficiary Records on Oracle System *(O)*	Risk
All beneficiaries are added to the Oracle system as 'suppliers' to facilitate payment via Accounts Payable. We confirmed that all beneficiaries transferred from the legacy Trusts have been set up on Oracle and the bank details on Oracle agree to the source data provided by the Trusts and/or contact details forms. New applicants should only be added to Oracle following approval of the applications. However, we identified one applicant was added to the Oracle system prior to the application being approved. The applicant had previously been registered with a legacy trusts but was not in receipt of regular payments so omitted from the data transfer. The applicant subsequently applied for further payments and was added to Oracle on the assumption that they would be entitled to these payments. However, the application was rejected. We confirmed that no payments have been made to the beneficiary. However, the Oracle record has not been closed. We also identified Oracle records for two deceased beneficiaries have not been closed. We confirmed that no payments have been made following death.	Dormant 'supplier' records on Oracle increases the risk of incorrect or fraud payments.
Recommendation 9	**Priority level**
Beneficiary records should only be created on Oracle for the purpose of payment processing once the application has been fully approved. The Oracle record for the rejected applicant and deceased beneficiaries should be closed. Management should consider periodic review of all WIBSS records on Oracle to ensure that they are legitimate and necessary.	Low

Management Response 9	Responsible Officer/ Deadline
Agreed. This will be written into guidance.	Mary Swiffen-Walker June 2019

Finding 10: Verification of Doctor Confirming Eligibility *(D)*	Risk
The application form has a section which must be completed by the applicants' doctor/consultant to state why they are eligible to apply, and provide evidence in support of this. Application forms are then submitted directly to WIBSS by the doctor/consultant. There are currently no checks undertaken to verify the authenticity of the doctor/consultant confirming eligibility. It was determined that the applicant Doctors details are not currently verified against the General Medical Council (GMC) register and neither are any other checks undertaken to confirm that the Doctor details are genuine. It is therefore recommended that this process is introduced to further strengthen the authorisation process with the Staff Procedure Guide updated accordingly.	Applications are not appropriately scrutinised which could result in approval of fraudulent application and financial loss.
Recommendation 10	**Priority level**
Management should consider the benefit and feasibility of verifying the authenticity (such as checking GMC registration or direct contact) of the doctor/consultant confirming eligibility for an applicant to join the scheme.	Low
Management Response 10	**Responsible Officer/ Deadline**
Agreed. Will be built into Procedure Guidance Process.	Mary Swiffen-Walker June 2019

Audit Assurance Ratings

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

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

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

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

Prioritisation of Recommendations

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

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

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

Confidentiality

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

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Audit

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

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

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

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

Responsibilities

Responsibilities of management and internal auditors:

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

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

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Primary Care Rental Reimbursement Reviews

Final Internal Audit Report

2018/19

NWSSP: Specialist Estates Services

NHS Wales Shared Services Partnership

Audit and Assurance Services

Reasonable Assurance
-          +

CONTENTS

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	Ceri Jones, Principal Property Surveyor (Primary Care)
Committee:	Audit Committee

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

Please note:

This audit report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Shared Services Partnership – Audit and Assurance Services, and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of NWSSP: Specialist Estates Services, and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

1.   Introduction and Background

A review was undertaken to assess NWSSP: Specialist Estates Services' (NWSSP: SES) processes, procedures and operational management, in respect of the primary care General Practitioner (GP) premises rental reimbursement review process.

The '*NHS (General Medical Services – Premises Costs) (Wales) Directions 2015*' sets out the rental reimbursement rules for GP premises, under Part 5 (Recurring Premises Costs).

Health Boards are responsible for approving the value of rental reimbursements to be paid to GPs. To facilitate this process, NWSSP: SES are appointed by Health Boards in Wales to provide professional advice and technical support relating to the facilitation and payment of the same (in accordance with the above Premises Costs Directions).

The process involves the triennial rental valuation review of each premise (circa 600 in total), to determine an appropriate rental reimbursement. NWSSP: SES charge their Health Board clients at an agreed hourly rate for the services provided.

2.   Scope and Objectives

The review was undertaken to determine the adequacy of, and operational compliance with, the systems and procedures of NWSSP: SES, taking account of relevant NHS and other supporting regulatory and procedural requirements, as appropriate.

The audit evaluated the systems and controls in place within NWSSP: SES with a view to delivering reasonable assurance to the Audit Committee that risks material to the objectives of the areas covered were appropriately managed.

Accordingly, the focus of the audit was directed to the following areas:

- Policies & Procedures – To ensure effective policies, procedures and formal agreements were developed and implemented, in line with the Premises Cost Directions, to govern primary care rental reimbursement.

- NWSSP Standard Terms of Engagement – to ensure that Standard Terms of Engagement were applied between NWSSP: SES and respective Health Boards/Trusts and consistently applied.

- Agreements - to ensure that appropriate lease agreements were maintained for primary care premises (by appropriate parties).

- Rental Reviews – A review of a sample of valuation exercises to ensure that the agreed policy and procedures were appropriately applied. Valuations were sampled across the three areas of:
    - Notional Rents;
    - Lease Rents; and
    - Cost Rents.

In addition to internal NWSSP: SES processes, the review considered the involvement of NWSSP: Primary Care Services (PCS) and Health Board clients in the rental reimbursement review process.

- **Monitoring & Reporting** – A review of management information and reporting processes, to ensure that information held and reported was accurate and informative. To include:

  o Consideration of the performance information held, analysed and reported in respect of NWSSP: SES' delivery of the valuation service;

  o Review of the adequacy of records held in respect of GP lease arrangements, to ensure sufficient information was available to facilitate the rental review process. Recognising the involvement of PCS and Health Boards in the rental review process, this included consideration of records held by PCS.

  o A review of reporting to Health Board clients; and

  o A review of internal reporting (within NWSSP, e.g. to PCS and / or NWSSP: SES management).

- **Charging process** – An assessment of the accuracy and timeliness of the client invoicing process.

3.   Associated Risks

The potential risks considered during the review were as follows:

- The service provided did not sufficiently meet the needs of the Health Board clients;

- The service did not facilitate the timely agreement of GP reimbursements; impacting on GP and Health Board budgets;

- The service provided did not comply with the relevant regulation;

- Inefficiencies in data recording, including the potential for duplication / errors between departments handling the same data;

- Insufficient management information was available to facilitate effective reporting to relevant parties; and

- Fees were not accurately recharged to the Health Boards. The Service did not recover enough of its costs to meet its budget requirements.

OPINION AND KEY FINDINGS

4.   Overall Assurance Opinion

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

We found robust controls operating at the system, including:

- Clearly defined terms of engagement with the Health Board clients;
- A robust rental review process in operation;
- Formal monitoring and reporting of performance; and
- Accurate charging of fees.

Only a small number of issues were identified, these related to matters such as the enhancement of existing processes; to improve controls in areas such as declarations of interest, and the audit trail maintained at valuation calculations

Accordingly, the level of assurance relating to the effectiveness of the system of internal control in place to manage the risks associated with the Primary Care rental reimbursement review process was assessed as Reasonable Assurance.

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

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

5.   Assurance Summary

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

Assurance Summary				
1	Policies & Procedures			✔	
2	Standard Terms of Engagement				✔
3	Agreements			✔	
4	Rental Reviews			✔	
5	Monitoring & Reporting				✔
6	Charging				✔

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

Design of Systems/Controls

The findings from the review have highlighted four issues that were classified as weaknesses in the system control/design.

Operation of System/Controls

The findings from the review have highlighted three issues that were classified as weaknesses in the operation of the designed system/control.

6.   Summary of Audit Findings

The key findings are reported within the Management Action Plan (Appendix A).

Policies & Procedures

Policy in the area of GP rental reimbursement was set out in the Welsh Government's "*NHS (General Medical Services – Premises Costs) (Wales) Directions 2015.*"

Internal, operational guidance was documented at the "In-house Rental Reimbursement Guide," (last updated in 2017) and additionally at the Terms of Engagement (dated October 2016) agreed with the Health Boards.

The above documents were drafted to enable NWSSP: SES to fulfil the rental revaluation service in line with the Premises Cost Directions, as required by NHS Wales Act 2006, and as such incorporated the key requirements of the same.

However, there was scope for internal guidance to be enhanced further to provide additional instruction in specific NHS Wales valuation matters,

which may not be covered by more general professional guidance notes (recommendation 1).   It is acknowledged that this is a point of enhancement only, to an already detailed procedural document.

Noting issues identified at the rental review section, in respect of the timeliness of receipt of instructions from Primary Care Services (PCS), it was additionally recommended that procedures be refreshed and formally documented in this area (see recommendation 3 discussed below).

Formal declarations of interest were not obtained from surveyors in respect of potential conflicts of interest, which may arise at the premises they survey. Whilst this is not a requirement of the Velindre NHS Trust "*Standards of Behaviour Framework*" policy, implementation would improve controls in this area (recommendation 2).

However, acknowledging that the substance of departmental practice was sufficiently guided by either formal, professional instruction or internal procedures, reasonable assurance was determined in this area.

Terms of Engagement

Terms of Engagement were in place for all Health Boards; setting out the key elements of the service to be provided by NWSSP: SES, and clarifying the expectations on the Health Boards to feed into the rental reimbursement process.

All Terms of Engagement had been approved by the respective Health Board clients.

Robust compliance with the Terms of Engagement was identified during the audit, with the minor exception of recommendation 3; whereby issues were identified in the timely receipt of case instructions from PCS.

Substantial assurance is therefore determined.

Agreements

NWSSP: SES are not responsible for holding copies of lease agreements (this ultimately being the responsibility of the GP practices, being the lessee), however copies inform a robust rental evaluation.

NWSSP: SES request copies of lease agreements for each commissioned review; copies are then retained on file where available, to facilitate the current and future reviews.

Retaining copies of agreements on file also assists in negating significant delay at any future rental reviews, as the leases will be on file. This process was evidenced during the review of cases undertaken during the audit (see below).

Acknowledging that NWSSP: SES is not responsible for retaining the primary record, and nonetheless it is acknowledged that NWSSP: SES were

in the process of building their own records to facilitate future rental reviews, reasonable assurance was accordingly determined.

Rental Reviews

The audit sampled 20 rental review cases, undertaken within the last calendar year. See **Appendix B**, summarising the test results.

Generally robust processes were evidenced, in line with documented procedures:

- A robust administrative process was in place to ensure the timely set up and allocation of instructed cases;

- Case files were well maintained;

- Recommendations were clearly reported to the relevant Health Board;

- Approvals to progress, where required, were appropriately obtained; and

- Case status was comprehensively captured at the Work Management Sheet to enable management monitoring.

A small number of issues were identified:

- PREM1 instructions (the process of Primary Care Services requesting that NWSSP: SES open a case) were not received from PCS in a timely manner. 7 of 20 instructions were received late, in some cases many months after the rental review date. A refresh of agreed arrangements has been recommended to clarify expectations of both parties (recommendation 3);

- Whilst the internal guidance references "best practice" timescales for case progression, these were not currently monitored. Noting some issues arose during audit testing, this is recommended (recommendations 4 & 5); and

- Improved controls at the valuation calculation process have been recommended, to minimise the risk of errors occurring; including the evidencing of secondary checks and an improved audit trail (recommendations 6 & 7).

As the above issues did not have any significant impact on the sampled reviews, reasonable assurance has been determined.

Monitoring & Reporting

The performance of the service is monitored via a formal key performance indicator ("number of cases undertaken each year"), and additionally by assessment of income against budgetary forecast.

The robust recording, analysis and reporting of information to NWSSP: SES senior management against these targets was evidenced.

Reporting to clients was tailored to meet the requirements of each Health Board. Whilst arrangements varied, in all cases periodic meetings (at least six-monthly) were evidenced, to ensure sufficient liaison on key points of information. Additionally, information sessions were delivered to certain clients to improve awareness of the service provided.

A customer survey, undertaken in May 2018, identified a high level of satisfaction with aspects such as: value for money, quality of advice provided and reporting content. A number of actions were identified from the feedback received, which were being implemented at the time of the audit.

Substantial assurance was therefore determined.

Charging Process

For the sample of 20 cases discussed above, all charges raised had been accurately calculated, in line with the Terms of Engagement and internal procedures.

Robust internal controls were evidenced in the checking and approval of charges, prior to invoices being raised.

The hourly fee has been subject to annual review, to ensure the Service covers associated costs, and that Health Boards continue to receive value for money. To date, management has not identified a need to adjust the fee.

Substantial assurance is therefore determined.

7.   Summary of Recommendations

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

A summary of these recommendations by priority is outlined below:

Priority	H	M	L	Total
Number of recommendations	0	5	2	7

Policy & Procedures

Finding 1: Procedural Guidance	Risk
Technical instruction is provided to surveyors via the *"NHS (General Medical Services – Premises Costs) (Wales) Directions 2015."* Additional, detailed guidance is provided to surveyors via the in-house *"Rental Reimbursement Guide"*; an informal procedural document prepared to give instruction to new surveyors on the key aspects of undertaking the role. It includes sections on the general review process, types of rental reviews, the filing system, Health Board key contacts, and the timesheet and charging process. The close of the guidance states: *"There are some valuation specific points to be aware of, such as the treatment of dispensary areas within surgeries which can attract additional rent (does not apply across the whole of Wales at present). Abated rents also need a careful approach, as before and after works values are required."* Whilst acknowledging that the majority of a surveyor's role in the valuation process is guided by professional training and formal guidance notes, these NHS Wales specific rules were not found to be additionally documented. Noting the potential for turnover of experienced team members, and the associated risk of historic/corporate knowledge being lost, it would be considered prudent for these "specific" rules to be recorded. This recommendation is a point of enhancement only, noting the minor nature of the omission and the robustness of other guidance in place.	Technical rules specific to NHS Wales may not be documented sufficiently.

Recommendation 1	Priority level
Procedural guidance should be enhanced to provide instruction on the more specific NHS Wales rules that need to be applied at relevant valuations (D).	Low
Management Response	Responsible Officer/ Deadline
Agreed. The in house guide will be expanded to include further narrative on specific valuation matters.	Principal Property Surveyor (Primary Care) February 2019

Finding 2: Declarations of Interest	Risk
The management of conflicts of interest within NWSSP is governed by the Velindre NHS Trust "Standards of Behaviour Framework policy." All employees are required to: *"Declare to the Trust for recording in the Register of Interests any relevant interests:* • *At the commencement of employment;* • *Whenever a new interest arises, and;* • *If asked to do so at periodic intervals by the Trust".* In addition to the above, certain employment groups are required to provide an annual declaration of interest. Currently, the Policy only references senior Procurement and Finance staff, however other employment groups do additionally provide annual declarations, based on an increased risk in those departments due to the activities they undertake. Recognising the scope of Primary Care surveyors within NWSSP: SES to make financial recommendations which can have a significant impact on the level of GP rental reimbursement, staff are currently asked to declare their own GP practice. Management advise that surveyors will not then be permitted to provide valuations on these practices. However, these declarations are not formally recorded and retained. Additionally, wider declarations of interest to identify other relationships relating to GP premises are not currently identified. It is concluded that a more formal process of obtaining and reviewing declarations of interest, on an annual basis, would be beneficial. A proforma is included at the above Policy (Appendix 2) which may be utilised for this purpose.	Conflicts of interest may not be identified and managed. Surveyors may be in a position to influence the level of GP rental reimbursement to a practice they have a personal interest in.

Recommendation 2	Priority level
Management should request written annual declarations of interest from all surveyors involved in Primary Care rental reviews. Where a new surveyor is appointed (permanent or temporary), a declaration should also be requested at the commencement of employment.	Medium
Management Response	Responsible Officer/ Deadline
Agreed. An annual declaration will be developed and implemented.	Head of Property January 2019

Rental Reviews

Finding 3 : PREM1 Instruction Procedure	Risk
A sample of 20 rental reimbursement review cases, completed within the last year, were reviewed to assess the controls operating at the rental review process. See Appendix B for a summary of the key findings. NWSSP: SES open cases on receipt of an instruction from Primary Care Services (PCS) (the "PREM1 instruction"). In order for NWSSP: SES to effectively plan their case load across the year, instructions should be received on a monthly basis, sufficiently in advance of the rental review date. From the sample reviewed, 11 instructions were received in advance of the rental review date and 7 were received after the review date (in some cases, receipt was many months either early or late). (A further 2 were carried out at the request of the Health Board for information purposes). It was generally noted from a review of performance data held, that instructions were received inconsistently across the year. Delays occurred in the past due to incomplete information held by PCS, however we were advised that this had largely been resolved. It is acknowledged that NWSSP: SES has committed to working with PCS to improve this process. At the time of the audit, NWSSP: SES had recently received instructions for the first 9 months of 2019 in bulk. Whilst this is an improvement on the prior late instructions, NWSSP: SES management advise that this still makes it difficult to manage the work	Difficulty in scheduling SES workload effectively. SES performance targets may not be achieved. Health Board clients may not receive timely advice, which can impact on budgeting arrangements.

load, noting the administrative burden in setting up and coordinating a large influx of instructions, some of which will not need to be reviewed for many months.

Noting that untimely instructions may impact on SES' ability to deliver the agreed service to Health Board clients, improvements are required.

It is therefore suggested that an agreed, documented procedure be implemented between NWSSP: SES and PCS to guide this process going forward.

Recommendation 3	Priority level
NWSSP: SES should liaise with PCS to refresh the arrangements for the instruction of primary care rental reviews. The procedure should be formally documented (D).	Medium
Management Response	Responsible Officer/ Deadline
Agreed. This will be actioned and developed.	Principal Property Surveyor (Primary Care) September 2019

Findings 4 & 5: Timeliness of case progression	Risk
The timeliness of case progression was assessed in the sample reviewed, against the following targets set out in the "In house rent reimbursement guide": • *"The target is to inspect within 6 weeks of PREM 1 inbox receipt"; and* • *"Fully report within 4 weeks of inspection".* See Appendix B for a summary of the key findings. It was established that, whilst the above targets are included within the guidance document, these are only advisory and are not currently monitored by management. For the sample of 20 cases, the timeliness of progressing a case from instruction to site inspection, and from inspection to final reporting, was assessed against the above targets. **Wording of targets** It was identified that, noting that the PREM1 instructions have not been received in a timely manner (as discussed above in finding 3), the first of these targets was not worded in a manner to enable meaningful monitoring or analysis. It is therefore recommended that this target be better worded to accurately reflect the expected timeliness of inspection. Acknowledging this is an informal guide only, and does not aim to set formal KPIs, this is a point of enhancement only. **Timeliness** Whilst acknowledging the above, a number of apparent delays were identified in the progression of cases, either from instruction to site inspection, or inspection to reporting. Having discounted delays which were notably due to outside events, some remained which appeared to be a result of the timeliness of NWSSP: SES progression.	Cases may not be progressed efficiently. Rental recommendations to Health Boards may be delayed. Departmental KPI target may not be achieved.

There may, therefore, be potential for improvement in efficiency in the delivery of some reviews. It is therefore suggested that management periodically monitor the timeliness of case completion, to identify whether any issues are occurring which may need to be addressed, through e.g. training. This may help to increase the efficiency of the service, and therefore assist with achievement of the department's formal KPI target (currently to undertake 200 cases each year).	
Recommendations 4 & 5	**Priority level**
4) The "In House Rent Reimbursement Guide" should be re-worded to better reflect the intended timescale from case set up to site inspection, and to facilitate management monitoring (D).	Low
5) Management should periodically review / monitor the timeliness of completion of reviews (e.g. timeliness to inspection, timeliness to reporting), to identify any potential areas for improvement in efficiency, potential training requirements etc. (O).	Medium
Management Response	**Responsible Officer/ Deadline**
4) Agreed. The in house guide will be reworded to reflect a reasonable inspection target timescale based upon the relevant rent review date and a reporting target from date of inspection. The date of final case completion will also be captured. 5) Agreed. Work management sheets will be adapted to capture the target dates and reviewed periodically by management, performance will be reported through the Primary Care team meetings.	Principal Property Surveyor (Primary Care) February 2019

Findings 6 & 7: Valuation calculations	Risk
At each rental reimbursement review, the surveyor performs a calculation to derive the rental value to be recommended to the Health Board.	Incorrect recommendations may be made to Health Board clients.
Calculations are based on a number of factors, including the measured floor area, the financial value (per m^2) assessed as reasonable for that site, the proportion of that value to be applied to each floor in the building, number of car parking spaces, appropriate treatment of any dispensary area, amongst other factors.	Increased risk of GP appeal if the rental value is not deemed appropriate.
For the sample of 20 cases, the audit sought to verify the calculations performed, in terms of arithmetic accuracy and audit trail of supporting information. *(Note, it did not seek to assess the appropriateness of the professional decisions applied).*	Health Boards may pay a higher than necessary rental reimbursement to the GP.
In 2 cases, errors had been made in the valuation calculations. One error led to a rental value initially recommended at £11,050 p/a lower than the correct calculation should have indicated (which equates to a 19% variance from the correct value). The second error would have had an insignificant impact on the recommended value. In both cases, these errors were identified, and rectified, before the Health Board entered agreement with the GP.	
In all other cases, calculations were found to be correct.	
Noting that the cause of these errors stemmed from incorrect linkage of cells at the calculation spreadsheet (as opposed to, e.g. incorrect professional judgement applied), we were assured that spreadsheet controls have now been improved.	
Secondary check	
Whilst management advised that all cases are discussed with other surveyors in the team prior to concluding, including discussion of the valuation methodology, it could	

not be evidenced that this extended to an accuracy check of the calculation performed, noting that a record was not maintained to demonstrate checks made.

Audit Trail

In a number of cases reviewed, the audit trail held on the paper file was not sufficient for the audit to re-perform the valuation calculations, and therefore to support the rental recommendation reported to the UHB (e.g. different floor areas were used to those measured at the current site inspection, adjustments had been made in the treatment of the dispensary, etc.).

It is acknowledged that, in all cases where a calculation was queried during the audit, the surveyor was able to demonstrate how valuations had been derived.

However, this required reference to historical documents held on file and retracing the steps taken, and may not have been possible had the surveyor left the department, or more time had passed since the review.

Further, noting 2/20 errors were noted on the files reviewed, surveyors may need to be able to justify their calculations to management, or to a Health Board, if an issue arises.

Accordingly, it is concluded that a basic audit trail should be maintained to support the calculations, particularly where deviations have been made to standard/expected practice; to annotate the calculation with a brief explanation, or reference to the supporting documentation.

Recommendations 6 & 7	Priority level
6) Valuation calculations should be subject to secondary checks by another surveyor prior to reporting and evidenced by a signature/date (O).	Medium

7) Management should ensure an adequate audit trail is maintained at rental review files (without unnecessarily increasing the administrative burden of the team). As a minimum, figures utilised in the calculation should be readily traceable to supporting evidence, and professional judgements applied that adjust a standard calculation should be noted (O).	
Management Response	**Responsible Officer/ Deadline**
6) Agreed. File valuation sheets to incorporate a second signature and confirmation of manual check to valuation figures. 7) Agreed. The file valuation sheet will also include brief summary of any salient matters relating to process, floor areas or valuation approach.	Principal Property Surveyor (Primary Care) February 2019

Appendix A: Summary of Rental Review testing

Sample no	Date rental review due	PREM1 email received	Notes on PREM1 receipt	Date of inspection	Was the inspection carried out in a timely manner?	Valuation calculations correct?	Evidence of secondary check of valuation?	Date fully reported (Date of PREM3)	Timeliness of Inspection to Report (weeks)	Clear reason on file for delays in reporting?
1	01/01/2016	12/10/2016	Delayed by receipt of DV report	13/02/2017	No. Attempts to obtain the lease delayed the inspection	Yes	Yes	19/02/2018	53	Yes
2	n/a UHB request	11/01/2017	n/a	16/02/2017	Yes	No	Yes	06/11/2017	38	Yes
3	28/07/2018	30/01/2018	6 months early	08/08/2018	Yes (from date review was due)	Yes	No	19/10/2018	10	No clear reason on file
4	30/04/2018	03/01/2018	4 months early	26/02/2018	Yes, in advance of review date	Yes	No	24/07/2018	21	No clear reason on file
5	01/03/2018	12/01/2018	1.5 months early	14/06/2018	No	Yes	No	29/06/2018	2	n/a - prompt reporting
6	28/09/2017	06/06/2017	3.5 months early	12/09/2017	Yes, in advance of review date	Yes	No	23/01/2018	19	Yes
7	16/06/2018	09/04/2018	2 months early	02/05/2018	Yes, in advance of review date	Yes	No	23/05/2018	3	n/a - prompt reporting
8	01/01/2017	08/08/2017	7 months late	27/09/2017	Slightly delayed, but BCU property	Yes	No	07/02/2018	19	No clear reason on file
9	01/07/2017	04/01/2018	7 months late	13/02/2018	Yes	Yes	No	26/04/2018	10	No clear reason on file

Sample no	Date rental review due	PREM1 email received	Notes on PREM1 receipt	Date of inspection	Was the inspection carried out in a timely manner?	Valuation calculations correct?	Evidence of secondary check of valuation?	Date fully reported (Date of PREM3)	Timeliness of Inspection to Report (weeks)	Clear reason on file for delays in reporting?
10	01/07/2017	08/08/2017	1 month late	22/09/2017	Yes	Yes	Yes	29/01/2018	18	Yes
11	15/07/2016	11/01/2017	7 months late	16/02/2017	Yes	Yes	No	09/11/2017	38	Yes
12	01/02/2016	24/08/2017	7 months late	06/10/2017	Yes	Yes	No	04/12/2017	8	Yes
13	15/08/2016	31/08/2017	2 weeks late	27/09/2017	Yes	Yes	No	22/12/2017	12	Yes
14	25/05/2016	04/01/2018	1 yr 8 months late	22/02/2018	Slightly delayed, but BCU property	Yes	No	08/05/2018	11	No clear reason on file
15	11/05/2018	30/01/2018	4 months early	10/07/2018	No	Yes	No	19/10/2018	14	No clear reason on file
16	02/08/2017	10/05/2017	3 months early	19/07/2017	Yes, in advance of review date	No	No	15/01/2018	26	Yes
17	04/11/2017	02/08/2017	3 months early	11/09/2017	Yes	Yes	No	30/07/2018	46	Yes
18	16/12/2017	02/08/2017	4.5 months early	13/09/2017	Yes	Yes	Yes	02/11/2017	7	No clear reason on file
19	01/04/2018	27/02/2018	2 months early	12/06/2018	No	Yes	No	19/10/2018	18	No clear reason on file
20	10/12/2017	28/02/2017	9 months early	11/09/2017	Yes	YEs	No	31/10/2017	7	No clear reason on file

Audit Assurance Ratings

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

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

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

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

Prioritisation of Recommendations

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

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

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

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2019
AGENDA ITEM	6.1
PREPARED BY	Roxann Davies, Compliance Officer
PRESENTED BY	Roxann Davies, Compliance Officer
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance and Corporate Services
TITLE OF REPORT	Audit Committee Forward Plan 2018-20

PURPOSE

To provide a summary of items expected to be presented at forthcoming Audit Committee meetings, scheduled for 2019-20.

Month	Standing Items	Audit Reports	Governance	Annual Items
Q1 2019/20 **9 April 2019** *Boardroom* *NWSSP HQ, Unit 4/5* *Charnwood Court, Heol* *Billingsley, Parc Nantgarw,* *Cardiff, CF15 7QZ*	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement	**Internal Audit** As outlined in the Internal Audit Operational Plan Head of Internal Audit Opinion Review of Internal Audit Operational Plan	Governance Matters Tracking of Audit Recommendations Corporate Risk Register	Audit Committee Effectiveness Survey Annual Governance Statement Caldicott Principles Into Practice Annual Report Counter Fraud Self-Review Submission Tool Counter Fraud Work Plan Counter Fraud Annual Report Integrated Medium Term Plan (IMTP) Review of Raising Concerns (Whistleblowing) Policy
Q2 2019/20 **9 July 2019** *Boardroom* *NWSSP HQ, Unit 4/5* *Charnwood Court, Heol* *Billingsley, Parc Nantgarw,* *Cardiff, CF15 7QZ*	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement	**External Audit** Wales Audit Office Nationally Hosted IT Systems Report Wales Audit Office Management Letter **Internal Audit** As outlined in the Internal Audit Operational Plan Quality Assurance & Improvement Programme	Governance Matters Tracking of Audit Recommendations Corporate Risk Register	Head of Internal Audit Opinion and Annual Report Results of Audit Committee Effectiveness Survey Health and Care Standards Self-Assessment Review of Risk Management Protocol Review of Audit Committee Terms of Reference

				Audit Committee Annual Report NWSSP Annual Review
Q3 2019/20 **22 October 2019** *Conference Room, Bridgend Stores, Princess of Wales Hospital, Coity Rd, Bridgend CF31 1UZ*	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement	**Internal Audit** As outlined in the Internal Audit Operational Plan	Governance Matters *to include* Annual Review of Stores Write-Off Figures Tracking of Audit Recommendations *to include* Annual Review of Audit Recommendations Not Yet Implemented Corporate Risk Register	Minutes & Matters Arising Health & Care Standards Action Plan Review of Assurance Mapping, Risk Appetite Statement and Board Assurance Framework Benchmarking of Audit Committee Effectiveness
Q4 2019/20 **21 January 2020** *Boardroom NWSSP HQ, Unit 4/5 Charnwood Court, Heol Billingsley, Parc Nantgarw, Cardiff, CF15 7QZ*	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement	**External Audit** Wales Audit Office Proposed Audit Work **Internal Audit** As outlined in the Internal Audit Operational Plan	Governance Matters Tracking of Audit Recommendations Corporate Risk Register	Pre-meet between Audit Committee Chair, Independent Members, Internal and External Auditors and Local Counter Fraud Review of Standing Orders for the Shared Services Partnership Committee Draft Integrated Medium Term Plan (IMTP) Summary & Overview

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	22 January 2019
AGENDA ITEM	6.3
PREPARED BY	Iain Hardcastle, Head of IMTP
PRESENTED BY	Andy Butler, Director of Finance and Corporate Services
RESPONSIBLE HEAD OF SERVICE	Andy Butler, Director of Finance and Corporate Services
TITLE OF REPORT	Draft Integrated Medium Term Plan 2019-22

PURPOSE

To provide the Committee with a copy of Section 1 of the Draft Integrated Medium Term Plan for NWSSP (2019-22), for information only.

NHS WALES SHARED SERVICES PARTNERSHIP
INTEGRATED MEDIUM TERM PLAN
2019 - 2022

GIG CYMRU NHS WALES | Partneriaeth Cydwasanaethau Shared Services Partnership

NHS Wales Shared Services Partnership
Integrated Medium Term Plan
2019-22

Adding Value
Through Partnership

Our Vision – To be recognised as a world class shared service through the excellence of our people, services and processes.

Our Mission – To enable the delivery of world class public services in Wales through customer-focus, collaboration and innovation.

If you require additional copies of this document, it can be downloaded in both English and Welsh versions from our website. If you require the document in an alternative format, we can provide a summary of this document in different languages, larger print or Braille.

Tel: 01443 848585
Web: www.nwssp.wales.nhs.uk
Twitter: @nwssp
Email: Shared.Services@wales.nhs.uk

MESSAGE FROM THE CHAIR AND THE MANAGING DIRECTOR

We are pleased to introduce the NHS Wales Shared Services Partnership (NWSSP) integrated medium term plan (IMTP) for 2019 to 2022. We are especially pleased to continue to work with our partners to invest in areas that matter to them and at the same time being able to provide a balanced **financial plan. NWSSP delivers a wide range** of high quality, professional, technical and administrative support services to our customers and partners across NHS Wales.

Our IMTP has been developed in collaboration with our customers and partners and describes who we are, what we do and how we are going to help shape the future of our services over the next three years and beyond. We continue to learn from our past experiences and successes and in our unique position we help share best practice and support NHS Wales.

2018/19 was a good year for NWSSP, with a number of notable achievements and improvements. Our staff and services have been recognised nationally by being nominated and winning a number of prestigious awards. Our divisions continue to develop and deliver their service offering to our customers and partners and support many all Wales initiatives.

The level of professional influence savings (over £100m in 2018/19) across NHS Wales, continues to be a priority, as well as increasing the scope of our services offered by reinvesting internal savings.

Supported by our Committee, we continue to put our resources where they will have **the greatest benefit to the sector and invest** in technology that delivers sustainable cost **efficient services, but this is limited by our** ability to access capital monies.

A Healthier Wales sets out opportunities for us to expand our services, provide systems leadership and encourages a 'Once for Wales' approach. We know that we need to keep pushing the boundaries and continue to **enhance our already efficient and effective** practices to customers and partners, and **we are confident that our plan reflects the** support and leadership that is needed.

To support our objectives and priorities, we have developed a number of key themes that will be the focus of our IMTP this year. These themes will be the emphasis of our transformation journey and have been derived from the policy landscape, our divisions and our engagement with our customers and partners. We know that we have a proven track record to deliver and that we can be relied upon to provide excellent services that deliver excellent value for money. Our IMTP for 2019 to 2022 is challenging and we are **confident that our teams have the dedication** and capability to deliver against it.

Margaret Foster,
Chair of the Shared Services
Partnership Committee

Neil Frow,
Managing Director
NHS Wales Shared Services Partnership

CONTENTS

CONTENTS

Appendices 1

Our appendices provide supplementary information that may be of interest.

Development and Implementation of e-Forms

Enteral pH Sticks

Student Streamlining Scheme

Ward Based Stock Management

Digital Working

Sourcing Capital Team: Supporting Grange Hospital New Build

Property

Network 75: Looking to the Future

Patient Medical Records: Store and Scan On Demand

Prescription Automation
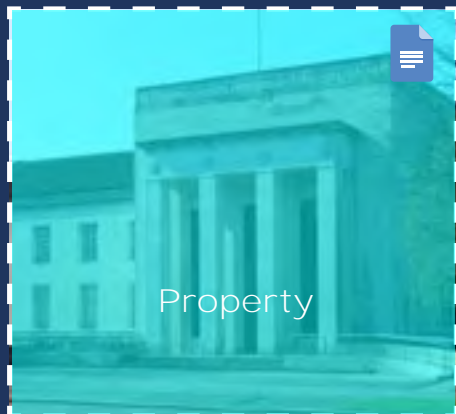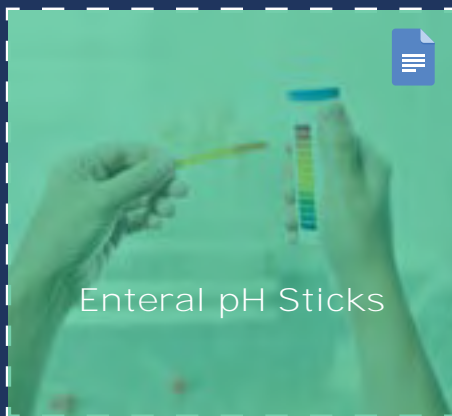
EXECUTIVE SUMMARY

Executive Summary

We work with our customers and partners to provide a range of high quality, customer-focussed professional, technical and administrative services to NHS Wales. NWSSP was created to allow Health Boards and Trusts to focus on the delivery of front line services and to provide a greater focus on support functions and the development of high quality professional services. We believe that the partnership can continue to grow and that we can do even more to support NHS organisations.

Overview Information (i)

- ► 2000 member of staff
- ► 23 buildings we operate from
- ► Budget of over £400m
- ► 95% of all NHS Wales Expenditure is processed through NWSSP systems and processes
- ► **Professional influence savings of over** £100m
- ► **We reinvest savings for the benefit of** NHS Wales

NWSSP is an integral part of the NHS Wales family; as a hosted organisation it operates under the legal framework of Velindre University NHS Trust. The Managing Director is accountable to Health Boards and Trusts through the Shared Services Partnership Committee which is composed of representatives from each of the NHS organisations that use our services and from Welsh Government. We also have a number of sub-committees and advisory groups, which include members drawn from our partners, stakeholders and service users.

Our Services

- Audit and Assurance Services
- Legal and Risk Services and Welsh Risk Pool
- Employment Services
- Procurement Services
- Primary Care Services
- Specialist Estates Services
- Lead Employer for GP Specialist Registrar Trainees
- Wales Infected Blood Support Scheme
- Health Courier Service
- Central E Business Team (Oracle)
- Surgical Medical Testing Laboratory
- Digital Workforce Solutions
- Counter Fraud Wales
- **Salary Sacrifice**

The 2019 to 2022 IMTP focusses on how **NWSSP can influence change and help** support our customers and partners in NHS Wales. It captures the key policies that apply to NHS Wales and applies them throughout the document and includes how we will embed the principles of A Healthier Wales, the Well-being of Future Generations Act and Prudent Healthcare into our business as usual activities. We aim to improve what we do well and look for opportunities to expand our services.

By focussing on the policy landscape and what our customers and partners need, we have established six key themes that we will deliver over the lifecycle of the plan.

These themes are described below and have an action plan and expected outcomes detailed later in the IMTP.

1. ## Supporting the delivery of sustainable Primary Care
   We will help create the environment for A Healthier Wales and to proactively support a modern primary care and social care system.

2. ## Enhancing service and customer support
   We will look to continuously improve the service we provide to our customers and partners that helps deliver better outcomes to their resident population and staff.

3. ## Once for Wales opportunities for service delivery
   We will continue to explore opportunities for NHS Wales to achieve economies of scale, standardisation where appropriate and provide more cost effective processes and high quality services.

4. ## Sharing best practice and informing decisions
   We will continue to understand our customer's and partner's needs and sharing best practice and opportunities for improvement with them.

5. ## Making NWSSP stronger
   We will continue to ensure that we are supporting our own staff, customers and partners in the most effective **and efficient way. We will continue to deliver a financially balanced plan,** which includes delivering savings back to NHS Wales.

6. ## Supporting major capital projects;
   We will continue to support major capital projects by providing professional and technical advice to support NHS Wales.

   To ensure that we deliver against these themes, it is key that we have suitable resources in place and that we receive an appropriate allocation of capital funding.

   Brexit may mean that we will need to be more reactive with our services and resources in the short term, which will impinge on our ability to deliver some of our planned initiatives and services.

Our Overarching Goals

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

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

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

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

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

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

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

8 We will support NHS Wales meet their challenges by being a catalyst for learning lessons and sharing good practice. Identifying further opportunities to deliver high quality services.

Key priorities for the next three years

We have taken our strategic objectives and updated our key priorities for action over the next three years. These priorities are our route map for 2019-2022 and demonstrate how we are shaping our services for the future whilst building on the work undertaken in previous IMTPs.

1. CUSTOMERS AND PARTNERS

To develop an open and transparent customer-focused culture that supports the delivery of high quality services.

Help to shape the future by supporting **our customers' and partners' significant** service change whilst leading and facilitating NHS Wales' priorities including:

- ✓ Supporting the sustainable delivery of Primary Care
- ✓ Implementing Once for Wales opportunities in Service Delivery
- ✓ Enhancing system and customer support
- ✓ Sharing best practice – scaling up
- ✓ Making NWSSP stronger
- ✓ Supporting major capital and transformational projects

Invest in data analytics to turn our data into intelligence to support NHS Wales' decision making.

Further develop the principles of a shared services Customer Relationship Management (CRM) system to ensure customer needs are effectively collated and understood. Build upon the good relationships we have with our trusted customers and partners to ensure we truly understand what they need and want.

Continue to support customers and partners in the delivery of their plans.
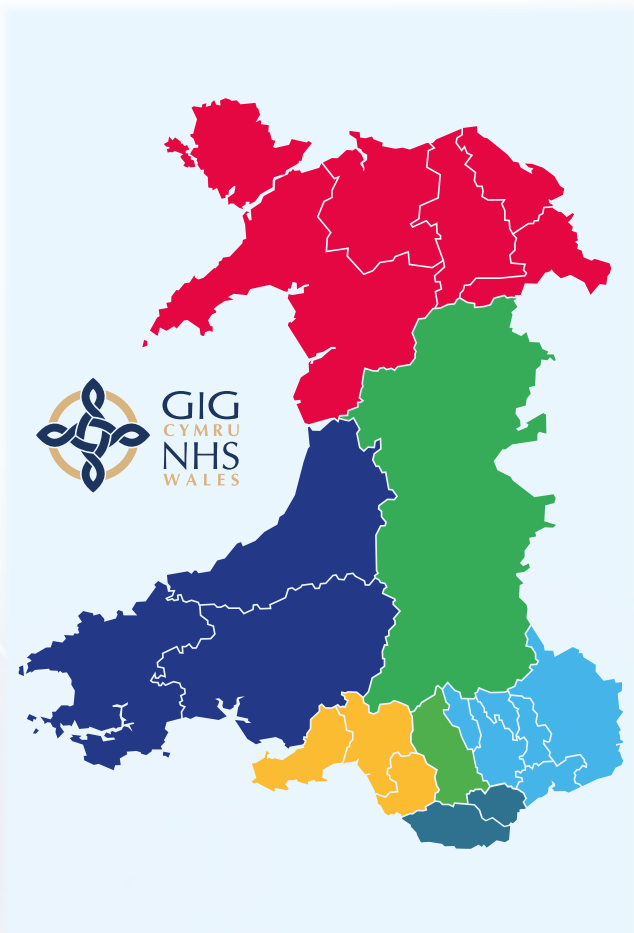
2. EXCELLENCE

To develop an organisation that delivers excellence through a focus on continuous service improvement, automation and the use of technology.
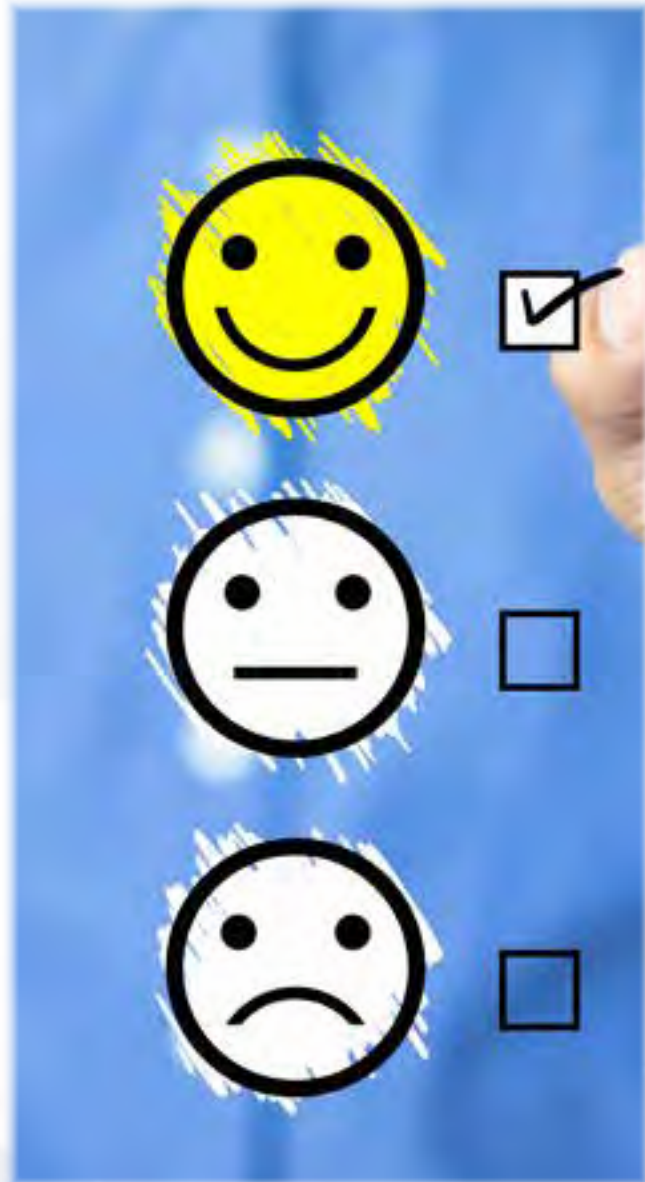
Embed a service-wide approach to our Continuous Improvement activities to coordinate the standardisation, modernisation and automation through the 'Once for Wales' principles and the use of our All Wales performance data to identify opportunities for further improvement.

Work in partnership with Executive Director peer groups and national groups to drive excellence by supporting national organisations and initiatives including:

- ✓ Purchase to Pay
- ✓ Hire to Retire
- ✓ Student Streamlining
- ✓ Reducing Nursing Agency spend
- ✓ Financial and Procurement systems

Continue our investment in technology **driving efficiency and quality** improvements, including:

- ✓ Embracing sustainability – reducing our carbon footprint and putting the environment at the forefront of decision-making
- ✓ Digital Workforce solutions
- ✓ Intelligent document scanning
- ✓ Patient Medical Records storage
- ✓ All Wales Risk Software
- ✓ Robotic Process Automation

Embed a consistent performance management framework across the organisation and deploy Business Intelligence Software to all divisions.

3. OUR STAFF

To have an appropriately skilled, productive, engaged and healthy workforce resourced to meet service needs.

Our staff need an agile working environment that allows freedom and **flexibility in a setting that removes** constraints and increases quality and performance. We will continue to assess and align our estate, ICT provision and HR policies to enable agile working across the organisation to support our divisions in delivering to our customers and partners.

Make certain that we have the right people with the right skills in place at the right time, then invest in our staff to ensure they have the right skills and knowledge in our changing environment. This will help us focus on retention and succession planning and will ensure that we meet our customers' needs. We will help our staff to adapt to the increasing use of new digital technologies as part of our transformational journey.

We will be an employer of choice, ensuring our staff are happy in the workplace by:

- ✓ Extending the leadership, innovation and people skills opportunities; harnessing creativity and ideas.
- ✓ Supporting the Healthy Working Wales Programme.
- ✓ Developing and enhancing the emotional well-being support programme.
- ✓ Continuing to implement corporate and divisional action plans based on the latest national staff survey outcomes.
- ✓ Ensuring staff are supported through engagement working with our Local Partnership Forum.
- ✓ Investing in staff development and training, promoting talent **management and identification of** succession planning pathways.

Further support NHS Wales Staff as a whole, enhancing the quality of their employment experience.

4. SERVICE DEVELOPMENT

To develop and extend the range of high quality services provided to NHS Wales and the wider public sector.

Identify opportunities for further collaboration across the wider public sector in Wales and engage with present customers to identify new service areas.

Share best practice and innovation through our structures such as the All Wales Risk Pool and the Evidence Based Procurement Board.

Develop our services under six themes:

1. Supporting the delivery of sustainable Primary Care
2. Sharing best practice and informing decisions
3. Developing Service support and customer support
4. Once for Wales opportunities for service delivery
5. Making NWSSP stronger
6. Supporting major capital and transformation projects

Act as an enabler for NHS Wales and support the implementation of A Healthier Wales and the Well-being of Future Generations Act.

5. VALUE FOR MONEY

To develop a highly efficient and effective shared services organisation, which delivers real-term savings and service quality benefits to its customers.

Deliver annual professional influence benefits > £100m to Health Boards and Trusts and distribute £0.75m of direct savings to NHS Wales's bodies.

Further secure sustainable capital funding for technology, systems and infrastructure.

Through a greater focus of working with partners and on a Once for Wales basis, identify further synergies in our transactional services to achieve economies of scale, remove duplication and thereby reduce operating costs.

Improve the quality and efficiency of our services to stakeholders through focused investment in:

- ✓ Our corporate approach to continuous improvement.
- ✓ IT technologies e.g. robotic process automation.
- ✓ IT infrastructure e.g. cyber security.
- ✓ Reviewing our customer support systems i.e. helpdesks.
- ✓ Our Value Based Procurement capacity.
- ✓ **Other areas we can influence e.g.** appliances, acute and homecare medicines.

Our enablers and risks

We put business planning and risk management at the centre of our governance arrangements. There are a number of critical key enablers that need to be in place to ensure we can achieve our priorities and deliver the key themes for action over the next three years. If these enablers are not in place to support us to deliver our ambitions they can become a risk. There are also risks that, if not managed appropriately, could affect delivery of our priorities.
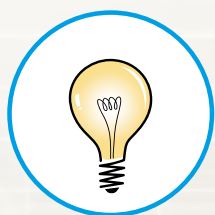
Our enablers

Capital Funding

Further capital investment is a key enabler for the **delivery of improved efficient services. An increase of** discretionary and non-discretionary capital funding is **essential to deliver the full benefits of cash releasing** savings, cost avoidance, improved quality and health and safety developments. Without investment NWSSP will not be at the forefront of technology and delivering world class services to our customers and partners.

Once for Wales

We are able to make a fundamental contribution to wider All Wales priorities in support of prudent healthcare adopting a Once for Wales approach. We endeavour, through collaborative working, to manage service **improvements so benefits can be fully realised for NHS** Wales. However, this is only possible if our partners are all willing to adopt one standardised process.

Investment in PMO and CI

We will continue to invest in our corporate programme **management office (PMO) and developing a corporate** Continuous Improvement strategy to help drive small and large scale change.

Trusted Partnership

We are uniquely placed to be a catalyst for change. We have the ability to drive forward prudent healthcare and embed Once for Wales opportunities by reducing inappropriate variation through evidence based approaches. The data we hold can highlight opportunities and shape required service re-design. We will use our position to develop and broker new partnerships within the NHS and other local authorities in Wales.
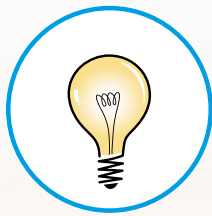
Our enablers

World class services

Our services have been nominated for and won a number of prestigious external awards:

- Chartered Institute of Professional Development
- Health Service Journal
- Government Opportunities (GO), Excellence in Public Procurement
- Procurex Wales
- Health Care Supply Association
- Healthcare People Management Association and Healthcare People Management Association Wales
- Institute of Directors Wales
- The Law Society of England and Wales
- Wales Quality Centre Awards
- Constructing Excellence in Wales
- Chartered Institute of Internal Auditors
- Healthcare Financial Management Association
- Unison NHS Health Awards.

Customer focussed and dedicated staff

NWSSP engages with customers and partners at all levels of an organisation. **We strive to understand the strategic issues, whilst making our services fit for** purpose for end users.

Our staff are fundamental to us delivering the priorities in our plan which is why we aim to attract and retain high calibre employees within NWSSP.

IT & Modernisation

IT modernisation is critical to driving efficiency through automation and innovation. NWSSP runs pan Wales IT Systems. However, we must be recognised as a strategic partner by our IT providers in order to ensure we can have the functionality we require to deliver the level of transformational change on a timely basis.

Agile working

We will enable our teams to work more freely and with flexibility to help increase performance and customer service back to our NHS Wales partners.

Our risks and issues

Brexit

We will need to be more reactive, which will impinge on our ability to deliver some of our planned initiatives and services.

Succession planning

The challenges of an ageing workforce has been recognised as a risk internally. We continue to focus on succession planning to ensure we have future leadership capacity. Our leadership development programmes will be critical in helping develop the next generation of managers and staff at all levels in the organisation.

Maximising the benefits of NWSSP

There are a number of opportunities to offer NHS Wales' bodies' delivery of Once for Wales services and build on the principles contained within A Healthier Wales, to improve efficiencies and value for money. Although we are in a position to take these opportunities forward, we are not able to mandate adoption of them. We are only as successful as our partners enable us to be - if they do not choose to adopt our Once for Wales processes then **we cannot maximise the benefits of NWSSP.**

Collaboration and working in partnership

Shared Services are in a unique position to drive effective collaboration and co-production within NHS and beyond, but there must be appetite and drive from our partners in order to achieve this. During times of pressure, there can be a tendency to protect individual needs without **seeing the Once for Wales benefits.** In order to ensure success, a step change in behaviour is needed, that supports further integration and collaboration.

Recruitment and retention of our staff

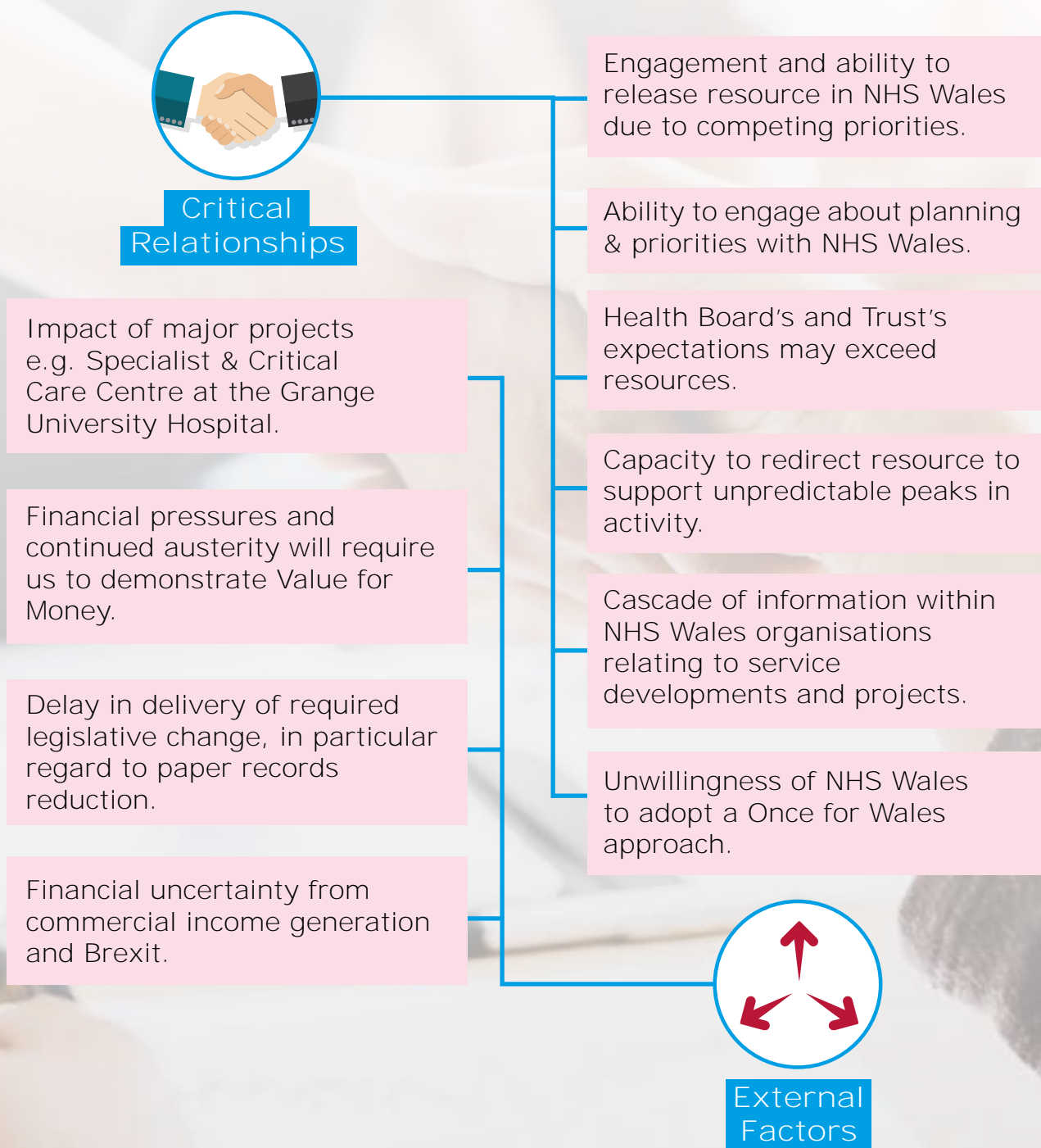Recruitment and retention is challenging in comparison to the private sector for some specialist professional roles, even with the changes within A4C pay scales. We will continue to develop 'social sourcing' strategies coupled with ongoing development of the existing workforce to ensure that we have the right staff with the right skills at the right time. We will strive to make NWSS a "great place to work."

As an organisation, we routinely manage the risks and issues that could prevent the delivery of the goals and objectives outlined in our IMTP. We hold a central risk register that is discussed at our SMT meetings. The Finance and Corporate Services Division work with Directors and their Senior Management Teams to ensure that the risks recorded within each register are up-to-date and that there is focus on achievement of planned actions to mitigate the risk.

This is reinforced through the quarterly review process of each division where review of the division risk register is a standing agenda item.

Additionally, as part of their delivery plan development, all divisions identify the risks for each delivery objective and overarching risks that would be detrimental to their journey towards achieving world-class status by 2022. These are summarised into four categories below:

Critical Relationships

- Impact of major projects e.g. Specialist & Critical Care Centre at the Grange University Hospital.

- Financial pressures and continued austerity will require us to demonstrate Value for Money.

- Delay in delivery of required legislative change, in particular regard to paper records reduction.

- Financial uncertainty from commercial income generation and Brexit.

- Engagement and ability to release resource in NHS Wales due to competing priorities.

- Ability to engage about planning & priorities with NHS Wales.

- Health Board's and Trust's expectations may exceed resources.

- Capacity to redirect resource to support unpredictable peaks in activity.

- Cascade of information within NHS Wales organisations relating to service developments and projects.

- Unwillingness of NHS Wales to adopt a Once for Wales approach.

External Factors

Capital Funding, IT & Modernisation

Competing demands on strategic partners NHS Wales Informatics Services (NWIS) to deliver required infrastructure support.

Ability of our ICT network to cope with demand.

Access to technical expertise to support ICT systems.

Our current estate will limit our ability to expand with the increasing service demand.

Shortfall of available capital for the modernisation of estate, equipment and IT systems.

Business continuity and loss of skilled staff as a result of our **workforce age profile.**

Inability to recruit to vacant positions from the market due to the scarcity of professionals in some areas and the restrictions of the A4C system.

Ability to attract and retain staff with required technical expertise to support systems.

Inadequate delivery of succession planning.

Recruitment, Retention and Retirements

INTRODUCTION
Who are we and what do we do?

Introduction

Our Structure

GIG CYMRU NHS WALES — Ymddiriedolaeth GIG Felindre Velindre NHS Trust

GIG CYMRU NHS WALES — Partneriaeth Cydwasanaethau Shared Services Partnership

Llywodraeth Cymru Welsh Government

NHS Wales Shared Services Partnership Committee

| Audit Committee for NWSSP | Welsh Risk Pool Committee | Evidence Based Procurement Board | ESR/Hire 2 Retire Programme Board |

Underpinned through the overarching Velindre NHS Trust legal and assurance framework

Introduction

Workforce by Full Time Equivalent (FTE)

52.29 Audit & Assurance Services	**44.83** Corporate	**07** Counter Fraud Service	**12** Digital Workforce Solutions	**9.32** Central Team eBusiness	**314.77** Employment Services
19.92 Finance	**394.80** GP Trainees	**95.44** Legal & Risk	**137.49** Health Courier Services	**277.76** Primary Care	**523.08** Procurement
41.91 Specialist Estates Services	**17.52** Surgical Materials Testing (SMTL)	**3.80** Welsh Employers Unit	**19.23** Workforce & Organisational Development		

Our Strategic Direction

Our NWSSP strategy map continues to be updated, to reflect the changing climate that we operate in and the flexible approach that we maintain. At our annual planning and horizon-scanning day with senior management and key enablers from across the organisation, we reviewed the strategy map to ensure it reflects NWSSP's direction. We have used this as a focal point for this year's IMTP development through our annual planning cycle.
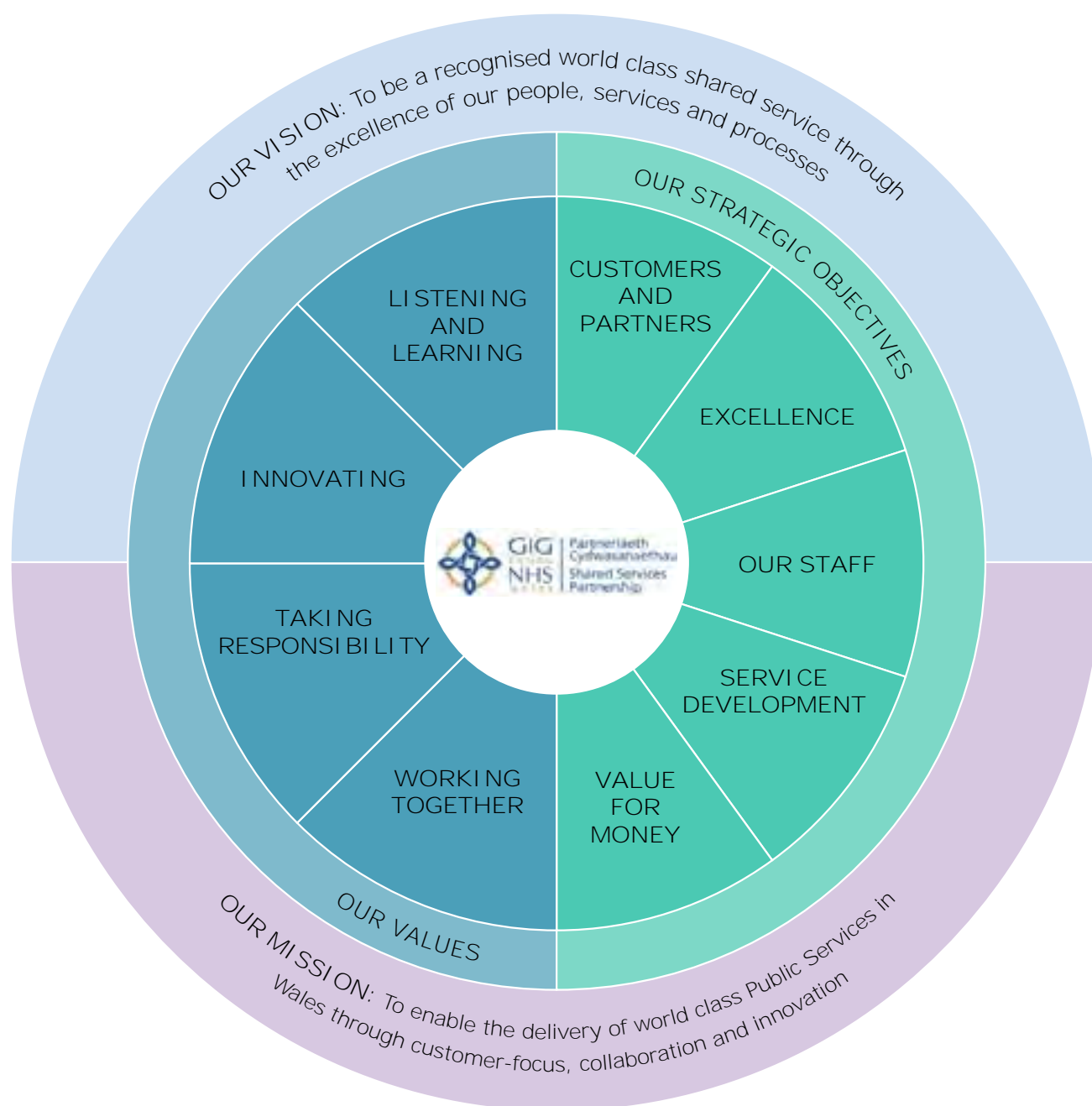
Our Engagement and Partnership Working

Partnership working is essential to our journey in ensuring our successful development and delivery of world class services. We interact with our partners in a variety of ways. As an organisation, we wish to develop trusted partnerships across NHS Wales so that we can support **the efficiency changes required through** the data we hold, ensuring we champion a data driven system.

Effective customer engagement processes are essential to establishing and responding to their needs and challenges. Due to the wide variety of our customers, we use a number of methods of engagement to ensure that we engage with all levels of our customer's and partner's organisations.

The Shared Services Partnership Committee is a decision-making committee setting the Shared Services policy for NHS Wales. It performs a critical role in monitoring the performance and supporting the strategic development of NWSSP and its services. Our Chair and Managing Director also meet with each of the NHS Wales Chief Executives to gain a clearer understanding of their organisation's needs. Over the last year, we have visited each Health Board and Trust's executive board meetings, presented an assurance report and discussed NWSSP performance.

In addition, Service Directors and other senior staff have a variety of mechanisms for local engagement with customers through routine customer liaison meetings to discuss performance and service delivery.

Individual performance reports are shared with health bodies on a quarterly basis, detailing performance data in respect of a number of services we provide. A standard set of reports has been developed for each organisation, providing data on all our services following feedback from stakeholders on the initial reports. These performance reports are a key part of our performance discussions with the Shared Services Partnership Committee, and a crucial part of our internal operational review of each service. These reviews are being strengthened by building in a systematic review of the key priorities in each Service Delivery Plan.

We value our staff and work closely with our trade union colleagues. Through our Local Partnership Forum, we jointly address the management of change to safeguard the quality of service and employment opportunities.

Transformation

Since our inception, we have moved on from consolidating, transforming and modernising all of our service divisions to providing leading world-class services on a Once for Wales basis.
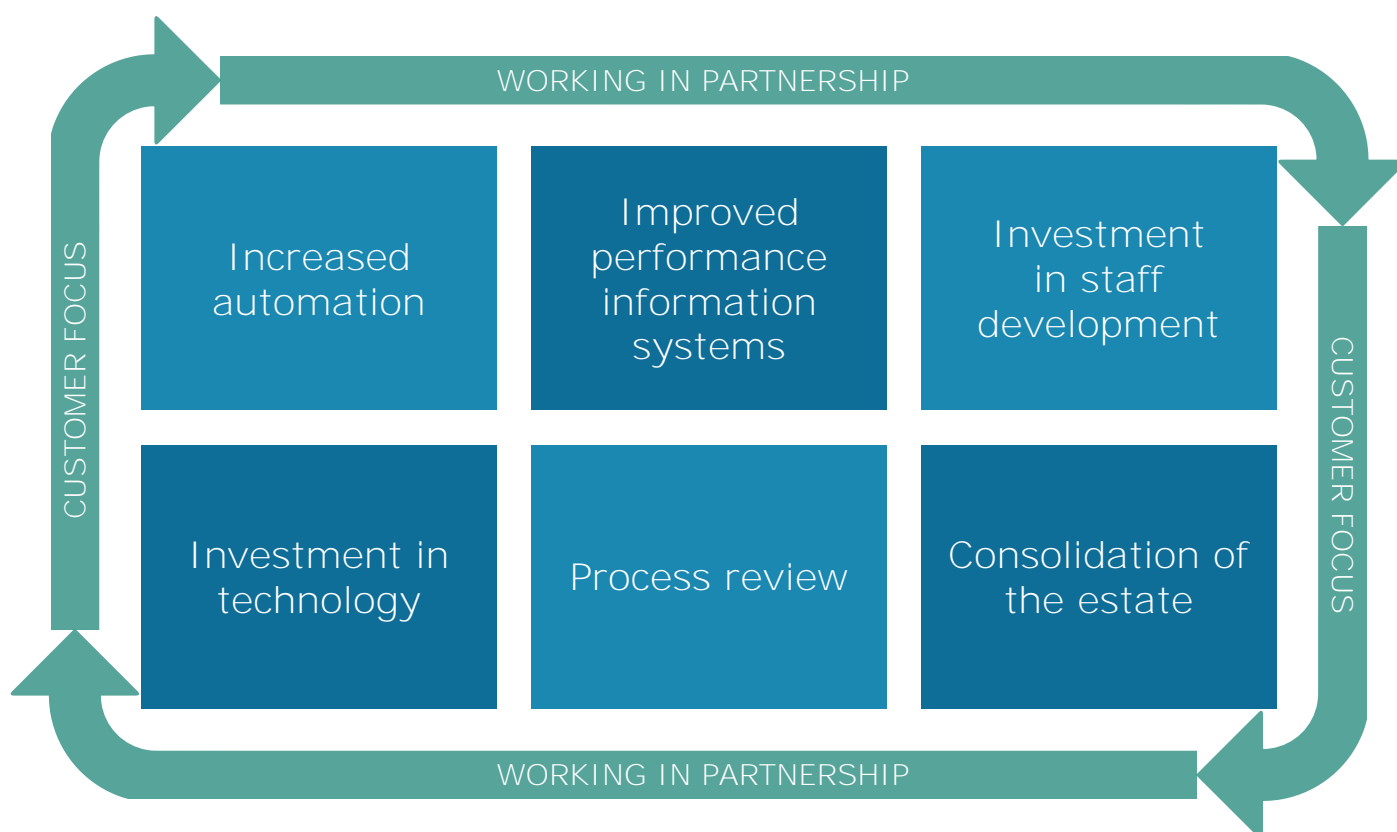
As a leader in shared services in the UK, not only do we learn from others but share our learning and knowledge widely. We are now even more focussed on continuing to improve our services, and embedding a continuous improvement strategy across shared services to ensure that providing excellent services is at the heart of everything we do.

We know that as we transform, we need to bring our teams and staff on the same journey. Investing in our staff to ensure they have the right skills and knowledge is just as important as investing in technology and process automation.

As we continue on this journey, we know that we need to focus not only on transforming our own services, but helping enable our partners and customers to transform also. We will focus on the priorities of our partners, showing systems leadership to help to develop and broker new partnerships within the NHS and local authorities in Wales.

Our transformation activities are based on our key themes to support NHS Wales. (More details on our key themes can be found on page 36)

- Supporting the delivery of sustainable Primary Care
- Once for Wales Opportunities for Service Delivery
- Enhancing system support and customer support
- Sharing best practice and informing decisions
- Making NWSSP stronger
- Supporting major capital and transformation projects

WORKING IN PARTNERSHIP

CUSTOMER FOCUS

| Increased automation | Improved performance information systems | Investment in staff development |
| Investment in technology | Process review | Consolidation of the estate |

CUSTOMER FOCUS

WORKING IN PARTNERSHIP

Financial Performance

Since NWSSP was established, we have **achieved all our financial targets and** operated within our allocated budget. We have made direct savings of more than £19m. These savings have been used to reinvest in our Once for Wales services, which has allowed us to absorb cost pressures for delivering more services and generate surpluses of £15m that were distributed to health organisations and Welsh Government.

The financial benefits to be gained by health organisations from professional influence measures are significantly greater than those outlined above. Working with **organisations, the professional influence** and advice from our services has helped **generate significant savings and cost** avoidance for NHS Wales. Indicative **financial benefits within health bodies over the first five years** exceed £500m. In the last year alone this was estimated to be over £100m coming from

- Specialist Estate Services – Lease management
- Legal and Risk Services
- Specialist Estates Services – Disposal **benefits**
- Procurement
- Design for Life

STRATEGIC OVERVIEW
Where do we want to go?
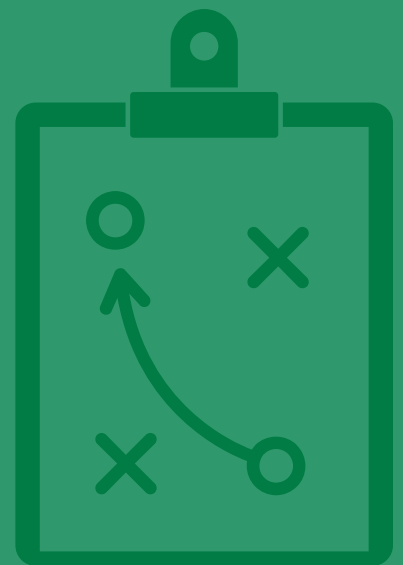
Strategic Overview

We regularly review the current and emerging policy context and strategic themes from Welsh Government, the NHS and the wider public sector that are informing our strategic direction. These key themes are summarised below, and have been built into our plan both from the perspective of NWSSP as a whole, into our overarching goals, and for each service area when developing their delivery plans.

We have deliberately not included the work that we undertake in order to meet the policy objectives set out by WG in this section. We have instead tried to include examples of all the work that we are doing within our plan, as these policies are embedded in our day-to-day activities.

A Healthier Wales

As part of the outcomes of the Parliamentary Review a long term strategy for Health and Social care was produced. Healthier Wales sets out a long-term future vision of a 'whole system approach to health and social care', which is focussed on health and wellbeing, and on preventing illness. The development of our six key themes directly supports the principles of A Healthier Wales and embeds them into our business as usual.

We can support this approach by helping the health and social care system work together. The Procurement Service team are delivering procurement frameworks that support health and social care, for example, the 'Community Equipment Items' contract. Our Health Courier Services team are supporting the shift of services out of hospitals to communities by providing an auditable and traceable distribution of supply chain items in the community.

During 2019/20, we will be updating our performance framework to ensure we are better at measuring what really matters, and providing intelligence to other health organisations to assist in decision-making. As the trusted core provider of professional and support services to NHS Wales we can use our position to broker new partnerships and help enable our partners and customers to work together seamlessly.

As part of our approach to making NWSSP a great place to work, we will embed an agile working approach and continue to support the professional development of our staff.

Well-being of Future Generations Act

The Well-being of Future Generations Act **sets ambitious, long-term goals to reflect** the Wales we want to see, both now and in the future.
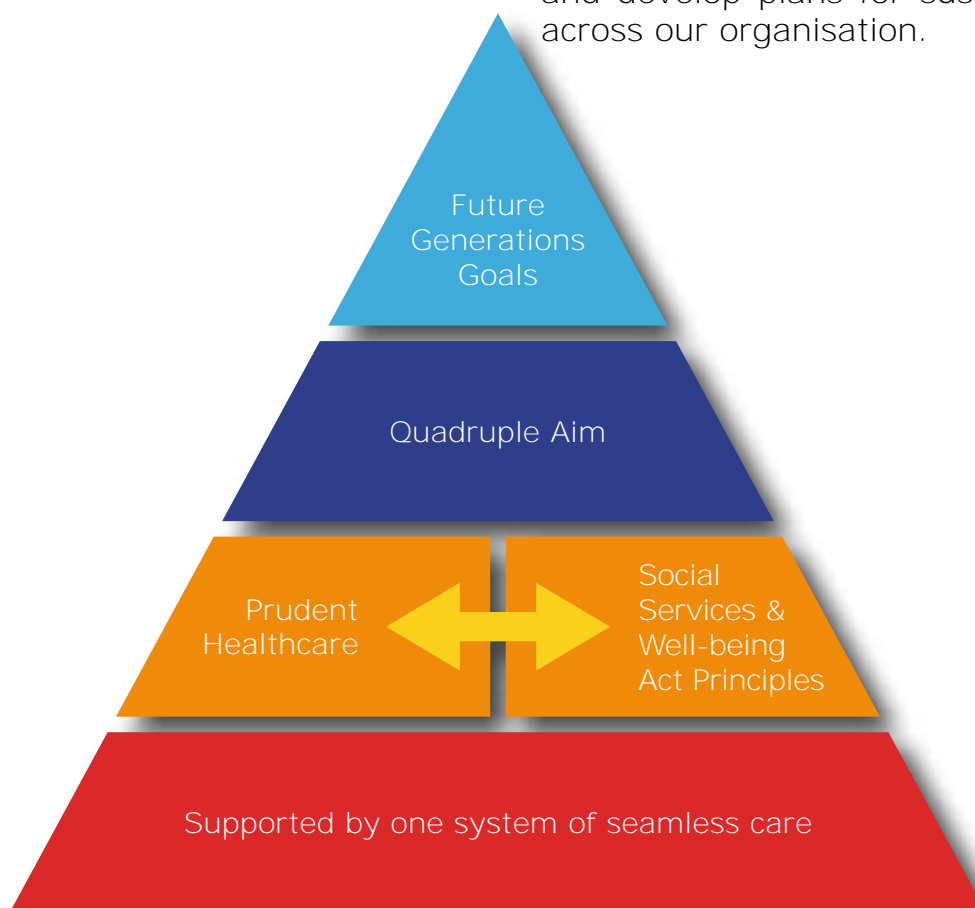
As a non-statutory hosted organisation of Velindre University NHS Trust, we are not **specifically named in the Act, but we have** voluntarily elected to develop our response to it as we recognise the importance of protecting future generations.

The Act sets ambitious, long-term goals to achieve the vision of the Wales We Want by 2050 and to safeguard the needs of future generations without compromising that of the present, by ensuring governance arrangements improve the cultural, social, economic and environmental well-being of Wales, through utilisation of the Sustainable Development Principle.

We have produced a Well-being Statement and Objectives which determines how we are supporting the achievement of the Well-being Goals that Wales should be; prosperous, resilient, healthier, more equal, globally responsible and a country of cohesive communities, have a vibrant culture and a thriving Welsh language. Additionally, our integrated reporting framework provides assurance to align with the seven themes contained within the Act.

We have engaged with the Future **Generations Commissioner's Office in the** development of our plan, carried out gap and SWOT analysis exercises and used the simple changes check list to help monitor our progress.

In 2019/20 we will focus on sustainability and develop plans for sustainable travel across our organisation.

Future
Generations
Goals

Quadruple Aim

Prudent
Healthcare

Social
Services &
Well-being
Act Principles

Supported by one system of seamless care

Our commitment to well-being and sustainable development

We are highly committed to developing and implementing a 'Once for Wales' approach where appropriate. It is vital we embed our Sustainable Development **Principle and the associated five Ways** of Working, to think about the long-term, to integrate with the wider public sector, to involve our partners, to work in collaboration, to prevent problems and take a more joined up approach to service delivery. The diagram demonstrates how our divisions are committed to delivering **sustainable services aligned to the five** ways of working.

Longterm

- Focus on sharing best practice and common risks/challenges.

- Added value through Hire2Retire services, that are safe, quick **and efficient.**

- A holistic approach to development of apprenticeship roles and Network 75.

- Reduce the burden on GP practices by providing administration support.

- Consideration given for life cycle and sustainable, ethical procurement practices.

Prevention

- ISO14001 environmental initiatives to reduce carbon footprint of organisation.

- A digitally enabled workforce system that will eliminate paper.

- Eliminate paper payslips and to administer e-payslips once for Wales.

- Robust succession planning across the organisation.

- Duty of care and compliance integration with e-expenses.

- Focus on sharing best practice, turning our data into intelligent information.

Integration

- Frequent engagement with our partners to ensure continuous improvement.

- Wider public sector engagement model within Digital Workforce Solutions.

- Support the training to managers of GP practices.

- Develop a network to support sharing the learning from Welsh Risk Pool.

- Collaborative procurement strategy developed in partnership.

- Equality Integrated Impact Assessments incorporated into the PMO system.

Collaboration
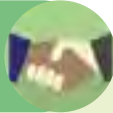
- Build opportunities for expansion of audit services within the wider public sector.

- Supporting the development of the 19 primary care pipeline schemes.

- Working in collaboration to increase the number of GP trainees and GP returners.

- Support the development of a Once For Wales Concerns Management System

- Expansion of generic PCS services across additional Welsh public sector bodies.

- Frameworks in areas such a environmental performance and **community benefits.**

Involvement

- Offer legal advice services to other public bodies throughout England and Wales Integration with additional service providers, for greater assurance levels Implement transferability of information from Welsh Health Graduate Education Public sector organisations on-boarding to the Learning@Wales Moodle e-platform.

- Awareness of Modern Slavery Act and Ethical Employment in Supply Chain Practice.

Prudent and Value based healthcare

We are helping to make prudent healthcare happen for NHS Wales through both our system leadership and support roles. Our key themes provide some examples of how we are driving the four principles of prudent healthcare.

The 4 principles of prudent healthcare

Public and professionals are EQUAL PARTNERS through CO-PRODUCTION

CARE FOR those with the greatest health need FIRST

Do only WHAT IS NEEDED and do NO HARM

Reduce INAPPROPRIATE VARIATION through EVIDENCE-BASED approaches

For further information visit www.prudenthealthcare.org.uk

In the section below we have given some examples of where we are supporting NHS Wales to deliver Prudent Healthcare under the four principles.

Public and professionals are equal partners through co-production

- We work together with NHS organisations to identify opportunities for Once for Wales systems.
- We are trusted partners in supporting service re-design, using our data and intelligence to inform decisions.
- Supporting the laundry services design and ensuring our partner's needs are understood and considered.
- Supporting the GP2GP electronic transfer of patient records in partnership with GP practices.

Do only what is needed and do no harm

- Working with Universities to streamline recruitment of healthcare students so that individuals are offered posts based on their preferences at the end of their course without the need to complete multiple applications.
- Support the roll out of an innovative training style in Maternity and Obstetric services to inform better patient outcomes (PROMPT).
- Programme of work to improve effective consent to treatment working together with NHS bodies.

Care for those with the greatest health need **first**

- Working with Health Boards to enable GP practices to rationalise estate and react to increasing Primary Care service demands through GP patients record storage with routine and on demand access service.
- Enhancing single point of contact in support of train, work, live campaign to increase training and recruitment of the NHS Wales workforce.
- **Enhancing Certificate of** Sponsorship management to deliver a timely professional service that supports the retention of staff.

Reduce inappropriate variation through evidence-based approaches

- Support the sustainable and prudent procurement agendas through clinically driven evidence based sourcing ensuring patient **care, quality and safety benefits.**
- Support the development and roll out of a Once for Wales Concerns Management System.
- Undertaking a review of Stoma Care procurement and service delivery within Secondary care.

Prudent healthcare is engrained in all we do through our Once for Wales approaches.

Prosperity for all

The National Strategy "Prosperity for All" was published in 2017 supporting the strategic direction of collaboration and a focus on how all parts of the public sector can work together to achieve a healthier Wales. In order to meet this ambition, we need to deliver quality health and care **services fit for the future, promote good** health and well-being for everyone and build healthier communities and better environments. We need to continue to develop and strengthen relationships with key partners, third sector, social services and others involved in the provision of high quality patient care. Throughout our plan we have shown how we are supporting our customers and partners to meet their short term delivery targets and to develop a sustainable health care system **fit for the future. We are committed to** supporting the communities in Wales, as evidenced by our strategy map and the inclusion of our well-being goals.

Driving efficiency – Lord Carter review

The Lord Carter Review (Operational Performance and Productivity in English NHS Acute Hospitals) calls for the NHS to **deliver efficiency improvements through** collaboration across the entire healthcare system. Many of the areas highlighted in the Carter report - clinical staff, pharmacy and medicines, diagnostics and imaging, **procurement, back-office functions, and** estates and facilities – are areas where NWSSP can provide systems leadership and business intelligence that will help health organisations to provide the best possible care to patients within the available resources.

The Lord Carter Review outlines the need for the NHS to undergo a cultural change and become a holistic hub in order to bring **about major efficiencies. The Procurement** Services Team are contributing to this by leading on value based procurement and playing a pivotal role in the Transforming Access to Medicines (TRAMS) project.

Developing the role of Primary Care

Since the publication of the Primary Care Plan and the Primary Care Workforce, Plan primary care clusters are being advanced across Wales to treat the root causes of ill health and to prevent people from going into, or staying in, hospital unnecessarily. This requires a marked shift in the delivery of care from secondary hospital-focused care closer to home.

One of our key themes is to support the sustainable delivery of primary care. We have developed a number of our services to support the required shift to primary care, in many cases providing a function absent from clusters and general practices previously. Examples of this include:

- Leading the estates and legal and risk development of the 19 primary care pipeline schemes, including the integration of Social Services.

- Assist in procuring commissioned services including dental and GP services where a need is assessed/required.

- Provision of Clinical waste collections and disposals at GP premises.

- Undertake cyclical audits of Primary Care Service's compliance with policies and procedures.

Social Services and Well-Being Act

The Social Services and Well-being (Wales) Act 2014 places duties on statutory bodies to improve services, work together with the public to promote well-being and give people a greater voice in and control over their care. NWSSP are committed to supporting integration between Health and Social Care through our enabling services such as procurement, specialist estate services, e-workforce solutions and employment services. Legal and Risk service have already developed guidance on how best to manage the developing relationships; manage the risks and remain compliant with the law.

National Improvement Programme

Seven priorities have been developed for Chief Executives to drive and deliver through Team Wales. Each all Wales Peer Group (Directors of Workforce, Directors of Finance and Nurse Directors etc) and our Senior Management Team have considered what we can deliver for NHS Wales in line with seven priorities:

1. To develop a long term vision and ten-year strategy for sustainable health and care services in Wales.

2. To develop a deliverable workforce and organisational development plan to support the long term strategy.

3. To make best use of the physical, **financial, workforce and technological** resources available.

4. To co-design, commission and provide joined up health services and to work with partners to provide patients with an integrated health and care experience.

5. To work with public sector partners to invest time and resources in services and actions that promote health, well-being and personal responsibility.

6. To drive consistently high quality services and outcomes and develop a performance management framework that supports this; and

7. To provide clear and consistent leadership and take strategic decisions on national priorities and programmes.

NWSSP are leading on and supporting a number of the work-streams including:

- Bulk mail
- All Wales Catering IT System
- Early Payment Programme
- Electronic Transfer of Claims – prescription pricing
- Establishment of 'Once for Wales' ESR support Hub
- Evidence Based Procurement
- All Wales Laundry Service
- Patient Medical Record (PMR) Storage and Scan on Demand service
- **Procurement Influence Spend**
- Temperature Controlled Environments

Public Health (Wales) Act 2017

The Public Health (Wales) Act 2017 utilises legislation as a mechanism for improving and protecting the health and well-being of the population of Wales. We are committed to supporting NHS Wales to tackle key issues and lead to a healthier Wales. We will continue to work to improve public health and reduce health inequalities by working with our partners to promote healthy lifestyles.

Nurse Staffing Levels (Wales) Act 2016

The Nurse Staffing Levels (Wales) Act 2016 sets out the overarching duty to **have regard to providing sufficient nurses** to allow nurses time to care for patients sensitively. We have been supporting the recruitment and retention of nurses. This is demonstrated by the prioritisation of the nursing workforce in some of our key national improvement projects: student streamlining, 75-day recruitment timeline reduction and the reduction of nursing agency usage. We will continue this work and build on our achievements by supporting the implementation of an all Wales staff bank recognising nursing as the single largest workforce.

Shaping the Future

Actions to support the NWSSP IMTP 2019 to 2022 priorities

There are six themes, shown below, that have been drawn out of our divisional plans and grouped together to highlight the synergies across NWSSP in supporting the Welsh Government and NHS Wales. This section highlights the actions that we are going to take over the next three years to help achieve our objectives and priorities.

Our priorities highlight a number of cross-cutting themes that we deliver to our customers and partners which drives improvement within NWSSP.

1. Supporting the delivery of sustainable Primary Care

We need to assist NHS Wales to deliver the new model for primary and social care. We must help partners empower individuals to take an increased responsibility in their own health and wellbeing and to accept the various services that complement the historical role of GP's.

We will help create the environment for A Healthier Wales to proactively support a modern primary and social care agenda. We will help support the administrative burden in primary and social care. We need to continue to support our stakeholders across pharmaceutical service expansion and to be the enabler in the development of general and specialist optometry services and dental services.

NWSSP will continue to work with Health Boards and Trusts to support the delivery of their transformational programme of change to primary care and community services. During 2019/20, in addition to local activity, on behalf of NHS Wales, we will deliver initiatives such as community wound care and procurement of an IT solution to support the new 111 service.

2. Enhancing service support and customer support

We will look to continuously improve the service we provide to our customers and partners that helps deliver better outcomes to their resident population. By enhancing the way we support and interact with our customers and partners, we will create an even more effective platform which will help improve the customer journey and increase the time available to spend delivering quality outcomes for patients.

3. Once for Wales opportunities for service delivery

We currently provide a number of 'Once for Wales' support services, but there are further opportunities to provide additional services with the help of NHS Wales's organisations. By focussing on what our customers and partners need us to do, we can remove the burden from them, achieve economies of scale, standardisation where appropriate and provide more cost-effective processes and high quality services. We act as an enabler for NHS Wales where we support service delivery transformation. For example - the All Wales approach for the transforming access to medicines (TRAMS) project.

4. Sharing best practice and informing decisions

Understanding our customers' and partners' needs is essential to delivering a world class service. We will use our unique position to help share best practice and use our Once for Wales data to help inform decision making. We will continue to regularly publish case studies of best practice which embed the Well-being of Future Generation's principles.

5. Making NWSSP stronger

To help ensure that we are supporting our customers and partners in the most **effective and efficient way, we need to** continue to drive improvements from within shared services based on what our customers and partners need. We **will continue to deliver a financially** balanced plan, which includes delivering savings back to NHS Wales. This theme focuses on the areas within shared services that can be improved **to have a significant benefit to our** customers and partners. We want our staff to have an effective working environment where innovation and high performance can prosper.

6. Supporting major capital projects

We will continue to support major capital projects by providing professional advice and support to Boards and Trusts. We will work with all of NHS Wales to support the long term capital strategy.

The actions below set out what we intend to deliver over the next three years and build on the excellent progress that we have already made in our previous IMTP's. This progress is highlighted in our Annual Report for 2017/18.

Supporting the delivery of sustainable Primary Care;		
What and why	How and when	**Benefits**
➡ Provide professional property and legal support to strengthen GP practice sustainability and a whole system approach to health and social care. ➡ Support customers in their management of primary care through the provision of professional estate, facilities and property related services including benchmarking.	➡ Providing innovative solutions to estate and legal related barriers to partnership in relation to the General Medical Services model; ➡ Implementing the 'last person standing' protocol; Leading the development of the 19 primary care pipeline schemes including the integration of Social Services, the 3rd sector and other services relevant to a whole systems approach. A focus on reducing carbon and being more environmentally sustainable. ➡ We will do this from April 2019 and evaluate progress before the next IMTP cycle.	➡ Improvements in the primary care estate and collaborative approach to the provision of services.
➡ Continuation of the rationalisation of primary care services into a central 'once for Wales' function. The strategy realigns services as part of NHS Wales Transformation in Primary Care Services and provides resilience across Wales. ➡ To improve and expand the provision of services within Primary Care and to support the sustainability agenda.	➡ Identify resources that can be realigned to support Primary care contractors and services. ➡ Explore and scope new areas of business. ➡ We will deliver this by March 2020.	➡ Additional support services fully costed and deployed within Primary Care.

Supporting the delivery of sustainable Primary Care;		
What and why	How and when	**Benefits**
➡ Patient Medical Records (PMR), store and scan on demand programme. ➡ Enables GP practices to rationalise estate and react to increasing Primary Care service demands. Supports sustainability agenda.	➡ Removal of paper medical records from GP practice to a central archive and the provision of a retrieval service. ➡ By March 2020 to have between 45% and 50% of live patient medical records stored in Mamhilad.	➡ Store & Scan on demand service deployed to 80% of GP Practice patient medical records. ➡ Supporting Primary Care estate strategy. ➡ Acts as an enabler for delivery of additional and enhanced services within the locality / primary care setting.
➡ We will review, develop and redesign medical, dental and ophthalmic performer lists. ➡ Critical single point **of failure identified** within existing NWIS arrangements. ➡ A review of the systems used is require to ensure they are up to date and effective.	➡ Implementation of a solution for NHS Wales delivered internally. ➡ March 2020.	➡ **More efficient** and effective provisions which supports the ability to move to Self-service arrangements. ➡ Streamline requirements and systems which removes administrative burden on Primary Care contractor resource, supporting sustainability agenda.
➡ Review Implementation of Home Care and Community care supply (Wound Management) and Pharmacy. Helping bring health and social care services to the homes of patients. ➡ Remove reliance on private providers and improve Governance.	➡ Auditable and traceable distribution of supply chain items monitored via Cleric. ➡ Temp Control ➡ We will do this from April 2019 and evaluate progress before the next IMTP cycle. ➡ Subject to capital and resources.	➡ Incremental Introduction of a Pan Wales Distribution Network.

Supporting the delivery of sustainable Primary Care;		
What and why	How and when	**Benefits**
➡ Seek to streamline patients and front line users' access to medicines and supplies through the Transforming Access to Medicines (TRAMS) project.	➡ The project will devise an integrated solution to support patients and front-line users with pharmacy and other supplies, to a higher quality, better sustainability, and lower cost than at present.	➡ Improvement in the quality of services delivered to NHS Wales and a reduction in cost.
➡ Extend licencing provision and **implement Certificates** of Sponsorship management across other disciplines, Once for Wales: ➡ This will make the **service more efficient** and reduce costs to NHS Wales, HEIW and the individual.	➡ We will develop improved processes and roles and responsibilities under a memorandum of understanding. ➡ We will deliver this by December 2019.	➡ Extension of current licences. ➡ Better student experience. ➡ Maintaining GP's and other health professionals in Wales following **qualification.**
➡ Provide a Hire to Retire service generating and redirecting local capacity to patient care.	➡ Service providing consistent application of legislation and alignment with NHS Employer Standards through sustainable technology ensuring quick and safe appointments. ➡ Work in partnership with individual primary care clusters to agree timescales by end 2020.	➡ Facilitate links with Primary Care Workforce Reporting and enable transition of GP Trainees to substantive Primary Care posts in Wales.
➡ Implement two critical workforce platforms providing an understanding of the Primary and Social Care workforce and single point of application of all vacancies.	➡ Working with Welsh Government and Primary Care to deliver national digital solution that provides understanding of multi-disciplinary factors of the primary care workforce. ➡ Implementation from April 2019 to March 2020.	➡ Enables quicker appointments into posts and transition of GP Trainees to a substantive post in sector.

Once for Wales Opportunities for Service Delivery		
What and why	How and when	**Benefits**
➡ Expand the Lead Employer model by increasing the offering to customers and partners by bringing new professional areas onto the scheme. ➡ This will help streamline the recruitment and pathway to gaining a professional **qualification in Wales.**	➡ Working with HEIW/HB/T we will identify professional areas that can be added to the scheme during 2019.	➡ Once for Wales approach to employing trainees. ➡ Better experience.
➡ Implement an all Wales laundry service. **Moving from a five** location model to a three location model to **drive efficiencies and** effectiveness.	➡ Final timescale to be determined once ongoing management arrangements review is completed.	➡ Once for Wales ➡ **Efficiency** savings
➡ Develop a Welsh Language hub to help provide a Once for Wales service.	➡ Hub to be developed in association with a number of smaller NHS bodies in 2019/20 and then offered as an All Wales Service in 2021.	➡ Once for Wales
➡ Work with Welsh Government to develop and provide new arrangements for the indemnity of General Medical Service Providers in Wales.	➡ Participate in the WG Project Board for GP Indemnity, develop funding arrangements with WG, employ staff and implement the necessary systems and processes. ➡ Implementation of the new arrangement for Future Liabilities from 1 April 2019, with further development of the scheme to cover Existing Liabilities progressing over a further 18 month to 2 year period as directed by Welsh Government.	➡ Design and Roll out of new GP indemnity arrangements.

Once for Wales Opportunities for Service Delivery		
What and why	How and when	**Benefits**
➡ General Ophthalmic Services (GOS) Data Warehouse ➡ Develop and expand Post Payment **Verification (PPV)** services in order to provide required assurance. Improved collaboration with NHS Wales CFS.	➡ Explore potential Contractor and Patient loss within GOS through targeted contractor visits outside 3 year cycle, with prior engagement with Optometry Wales. ➡ March 2020.	➡ Once for Wales data base enabling consistent reporting, **national profiling** and national Benchmarking. ➡ Focused PPV sampling arrangements.
➡ Provide a Once for Wales single pathway to Medical and Dental Trainees that is safe and effective.	➡ Maximising technology to deliver single pathway with safe portability throughout rotational training aligning to Train.Work.Live Single Point of Contact service.	➡ Improved experience for Medical and Dental Trainees through process and **technology efficiencies** enabled by a single point of contact.
➡ Establish the payment of NHS Wales Student Bursary through the Electronic Staff Record to provide a single point of contact for students, realise **process efficiencies** and associated costs.	➡ Working in partnership with HEIW and Universities to engage healthcare students throughout training to facilitate payment of NHS Wales Student Bursary by 2022.	➡ Introduces a single point of contact for healthcare students and enables immediate engagement to All Wales Bank.

Once for Wales Opportunities for Service Delivery		
What and why	How and when	**Benefits**
➡ **Explore the benefits** of the development of a National Distribution Centre. ➡ Consolidation and expansion of transport and logistics services to the NHS and wider public and social care sectors. ➡ To exploit opportunities to introduce further automation and new technology and meet the need for streamlined services. To meet the challenges posed by the Lord Carter Review and Brexit.	➡ Develop funding arrangements with Welsh Government who will determine timescales.	➡ Delivering economies **of scale and benefits** from automation and new technology e.g. GS1. ➡ Improved supply chain resilience and national emergency response capability.
➡ Support the transition to into the 'Strategic Programme for Primary Care' – the response to A Healthier Wales.	➡ Improve primary care sustainability across multidisciplinary functions.	➡ Improved access to care for patients outside of traditional service delivery.
➡ Support the development and roll out of a Once for Wales Concerns Management System. ➡ To address recommendations in the Evans Report "Using the Gift of Complaints" and to enhance data compatibility to identify and focus on themes.	➡ Incorporate WG funded project into WRP, re all-Wales Development system Development of national Concerns dataset. ➡ Newly appointed project manager and Head of Patient safety and learning to arrange meetings for further discussion and recommendation July 2019.	➡ Design and Roll out of Once for Wales Concerns Management System – with agreed national dataset.

Enhancing system and customer support		
What and why	**How and when**	**Benefits**
➡ Enhanced legal case management, lessons learned and Once for Wales claims management for Clinical Negligence and Personal Injury claims. ➡ To minimise the adverse reputational **and financial impact of** legal risks to the NHS in Wales.	➡ Maintaining and improving on the quality of our staff via experience and training; through good management of cases and careful allocation of tasks across teams; through focussing on client relationships. ➡ March 2020 and annually reviewed thereafter.	➡ High levels of savings and successes reported.
➡ Student Streamlining – GP Trainees and Allied Health professionals ➡ Avoid unnecessary duplication – associated costs ➡ Quicker start times	➡ Extend the NWSSP Student Streamlining Scheme to GP trainees. ➡ September 2019	➡ All GP Trainees and Health Professionals appointed through Streamlining Scheme.
➡ A successful welfare rights service. ➡ WIBSS is committed to providing a dedicated support service operated by experienced welfare rights advisors to **assist beneficiaries.**	➡ The welfare rights advisors make home visits, provide telephone support and attend Personal Independence Payment assessments when requested. We will continue to support the welfare rights advisors through 2019/20.	➡ Customer satisfaction with the scheme and service will increase. **Beneficiaries will** continue to have an excellent customer experience.
➡ We will continue to support the newly created Health Education and Improvement Wales (HEIW) Special Health Authority.	➡ Provide advice and support to the organisation as required throughout 2019/20.	➡ Support the new special health authority deliver its objectives.

Enhancing system and customer support		
What and why	**How and when**	**Benefits**
➜ Integration of HCS and Supply Chain services. ➜ To provide a seamless end to end service capable of meeting expanding needs of Health Boards and Trusts. ➜ To maximise **efficiencies.**	➜ Structural review to be undertaken with view to creating new Regional Distribution Centre (RDC). ➜ We will do this by March 2020.	➜ A modern, streamlined service capable of **maximising efficiency benefits to Health** Boards and Trusts.
➜ Primary Care transformation programme – replacement of NHAIS.	➜ New registration service for medical records transformation. ➜ New GMS Payments system operational. ➜ A direct result of NHS England privatisation. ➜ Direct impact on ➜ Welsh systems and processes. ➜ Opportunity to deliver a cost effective and **efficient solution and** workforce.	➜ Through dialogue and SLA review with NHS Digital and preferred partner for GMS payments. ➜ By March 2020 to have replaced NHAIS payment system and also implementation plans in place for deployment of PCRM and SDRS products, in preparation for NHAIS decommissioning.

Sharing best practice		
What and why	How and when	**Benefits**
➡ Continue to encourage use of 'Putting Things Right' to improve savings and enhance lessons learned around care provision and incident investigation in respect of lower value cases.	➡ We will do this throughout 2019 to 2020 and onwards.	➡ Reduced costs for Health Boards and Trusts.
➡ We will support the Welsh Government Workforce Delivery Unit agenda.	➡ We will agree a plan of action for strategic work to be carried across WG and NWSSP on a prioritised basis. ➡ This work will continue through 2019/20.	➡ Collaboration on HR issues which are planned well. Good advice to WG.
➡ We will further develop our Customer Relationship Management approach across the NWSSP to ensure that customer and partnership interaction is recorded along with user requirements and user needs. This will enable NWSSP to improve customer and partner interactions.	➡ The new approach will be devised through interaction and engagement with NWSSP divisions and our Partners and Customers, with the new approach implemented through 2019 to 2020.	➡ Better collation of NHS Wales' requirements and a joined up approach to stakeholder management.
➡ NWSSP will create an evaluation forum through the **PMO that identifies** lessons learned from all projects and programmes.	➡ Forum will be created in April 2019 with a review prior to the next IMTP cycle.	➡ Sharing lessons learnt around Wales and improving future projects through past experiences.

Making NWSSP stronger		
What and why	**How and when**	**Benefits**
➡ We will continue to progress and embed an agile working environment that allows our staff freedom and **flexibility. We will** align our estate, ICT provision and HR policies to enable agile working across the organisation to support our divisions delivering to our customers and partners.	➡ We will work with our staff to develop a programme that meets the needs of a modern workforce. We will review the relevant workforce and OD, estates and ICT policies to enable this positive change. ➡ An initial business case will be prepared for September 2019 with pilot sites **and teams identified for** implementation.	➡ An excellent working environment matched with modern technology to allow staff to be the best they can be.
➡ We will review and seek to streamline our helpdesks and call handling centres that we have at NWSSP to improve the experience for our customers and partners, ensuring that we are using the latest technology.	➡ We will implement a Once for Wales service across NWSSP, ensuring it meets the needs of our customers and partners who operate 24/7. ➡ We will use the most recent technology to enhance the customer experience. ➡ An outline business case will be developed by September 2019 and if approved implementation will take place through Q3 and Q4.	➡ Enhanced customer experience – one single number to call for all shared services queries.
➡ Develop a corporate Continuous Improvement approach to coordinate the standardisation, modernisation and automation through the 'Once for Wales' principles and the use of our All Wales performance data to identify opportunities for further improvement.	➡ We will continue to look for synergies across our divisions and focus on improving systems and processes in order to make NWSSP more **efficient and effective and** allow us to deliver improved services to our customers and partners.	

Making NWSSP stronger		
What and why	How and when	**Benefits**
➡ We will implement an updated performance management framework across NWSSP. ➡ This will embed a consistent approach to performance management across the divisions and allow for better decision-making and scrutiny.	➡ The framework will be implemented in April 2019 and aligned to this IMTP. ➡ The roll out of business intelligence software across the divisions will take place throughout 2019 to 2020.	
➡ We will proactively engage and communicate to external audiences the excellent work conducted throughout NWSSP. We will showcase best practice and provide services to other NHS Wales organisations.	➡ We will develop an overarching marketing strategy for NWSSP with an implementation plan throughout 2019 and 2020.	➡ Increase in new and repeat business that the team undertakes; ➡ Results of customer satisfaction surveys. ➡ Invest in the Marketing and Communications team.
➡ NWSSP will continue **to deliver financially** balanced plans that provides investment to the areas that matter most to our partners.	➡ We will ensure that our divisions continue **to be efficient and** effective and use continuous improvement methodologies to streamline services and improve quality.	➡ Invest in areas that matter most to our partners and have the **greatest benefit.**

Supporting major capital and transformation projects		
What and why	How and when	**Benefits**
We will support all Health Boards and Trusts undertaking major capital projects. Including ■ The Grange University Hospital ■ Velindre Cancer Centre ■ University Hospital Wales ■ Prince Charles Hospital	➡ We will provide estates, legal and procurement support to ensure the successful delivery of all the projects.	➡ Projects delivered to time, cost and quality. ➡ Excellent feedback for NWSSP divisions.
We will support NHS Wales undertaking major transformation programmes. Including: ■ The Bridgend Boundary Transfer ■ A Healthier Mid and West Wales	➡ We will provide professional support to ensure the smooth transition into business as usual.	➡ Project delivered to time, cost and quality. ➡ Excellent feedback for NWSSP divisions supporting the change.

Our roadmap for development over the next three years

In the table, we have set our large service developments over the next three years against our six key delivery themes. This demonstrates how we are helping NHS Wales meet its strategic objectives in a key support role, encouraging learning and the adoption of Once for Wales.

2019 to 2020

Supporting the delivery of sustainable primary care

- Deliver hire to retire service providing digital platforms.

- Alignment of GP Trainees to substantive posts within sector through streamlining programme.

- Development of the 19 primary care pipeline schemes.

- PMR – Store and Scan on Demand.

- Redesigned performers lists.

- Implementation of home care and community care supply.

- **Extend Certificate of Sponsorship** licencing.

Once for Wales Opportunities for Service Delivery

- Consistent application of NHS Wales Pay Framework.

- Provide a single pathway for Medical and Dental Trainees.

- Expand the Lead Employer offering.

- Extend 'Train.Work.Live' to Allied Health Professionals

- All Wales Laundry Service launched.

- Deliver GP Indemnity Scheme.

- TRAMS.

- Establish Medical examiners Service covering secondary care.

Sharing best practice

- Benchmarking Primary Care Services with NHS Digital.

- **Hire to Retire efficiencies with NHS** Improvement England.

- Customer relationship management approach.

- Support Welsh Government Workforce Delivery Unit.

- 'Putting things right'.

Making NWSSP stronger

- Develop marketing strategy.

- Develop agile working strategy and start implementation.

- Embed continuous improvement approach.

- Review customer contact and streamline.

- Embed updated Performance Management Framework.

Enhancing system support and customer support

- Maximising use of technology to release time in clinical areas.

- Reduce recruitment timeline.

- Standardisation of pay elements to improve pay bill data.

- Enhanced legal case management.

- Extend Student Streamlining to all healthcare graduates.

- Integration of supply chain and HCS.

Supporting major capital and transformation programmes

- Support the delivery of the new Grange Hospital.

- Migration of staff enabling Bridgend Boundary Changes.

- Supporting the new Velindre Cancer Centre.

- A Healthier Mid and West Wales.

2020 to 2021

Supporting the delivery of sustainable primary care

- Deliver hire to retire service.

- Extend licencing provision for **Certificates of Sponsorship.**

- NHAIS replacement complete.

- Continued development and implementation of the 19 primary care pipeline schemes.

- PMR – Store and Scan on Demand.

Once for Wales Opportunities for Service Delivery

- Payment of NHS Wales Bursary via ESR.

- Deliver a Welsh Language Hub.

- Explore the development of a National Distribution Centre.

- Further expand the Medical Examiners service.

Sharing best practice

- Benchmarking against NHS England.

- Embedded customer relationship management approach.

- Turning data into intelligence to inform decisions.

Making NWSSP stronger

- Continued implementation of agile working strategy.

Enhancing system support and customer support

- **Centre of Excellence for Certificates** of Sponsorship post Brexit.

- Digitalisation of Employment Checks.

- Reduced recruitment timeline.

Supporting major capital and transformation programmes

- Engagement of 3,000 staff to Specialist and Critical Care Centre.

- Supporting the new Velindre Cancer Centre.

- A Healthier Mid and West Wales.

- University Hospital Wales.

2021 to 2022

Supporting the delivery of sustainable primary care

- Complete delivery of Hire to Retire service.

Once for Wales Opportunities for Service Delivery

- Continued expansion of the lead employer offering.

Sharing best practice

- Turning data into intelligence to inform decisions.

Making NWSSP stronger

- Embedded agile working strategy supporting other NHS Wales Bodies.

Enhancing system support and customer support

- **Maximise efficiencies through RPA.**
- Reduced recruitment timeline.

Supporting major capital and transformation programmes

- Supporting the new Velindre Cancer Centre.
- A Healthier Mid and West Wales.
- University Hospital Wales.

Future state – what will we look like in three years' time

Our vision is to be recognised as a world-class shared services organisation through the excellence of our people, services and processes. We are committed to creating and developing a positive approach to customer service. We strive to consistently exceed the expectations of our customers and create an environment within which customer service is a core component of the management and delivery of services.

The table below identifies, against each of our key strategic objectives, some of the ways in which we will deliver and measure our Success.

CUSTOMERS AND PARTNERS

To develop an open and transparent customer focused culture that supports the delivery of high quality services.

Streamlined and consistent approach to feedback across all divisions.	An embedded trusted partnership relationship across NHS Wales, underpinned by a CRM system.
Well-developed customer and partner strategy.	High quality data available to manage performance, drive improvement and inform decisions.
Service development done in tandem with customers and partners to meet their exact needs.	Engagement at all levels exceeds expectations.
Responsive and supportive **to our partners' significant** service change whilst leading and facilitating NHS Wales priorities.	Our data is used as intelligent information to support the NHS Wales quality and safety agenda.
Supporting the transformational needs of Health Board/Trusts/HEIW through the development of a new generation of construction frameworks aimed at improving the built environment and embed skills within our teams to lead on All Wales Capital Programmes of the future.	The NHAIS systems will have been decommissioned and we will have implemented the NHS Wales Transition Programme with regard to GMS and GOS services.

OUR STAFF

To have an appropriately skilled, productive, engaged and healthy workforce resourced to meet service needs.

A multi-skilled and motivated workforce to support workforce development and continuous improvement.

Delivered the action plan based on the staff survey outcomes and reviewing its impact.

Fully established organisation values based recruitment, recruiting the right people aligned to our values.

Workforce with the capacity and resilience to react to increases in demand or changes in requirements.

A fully implemented talent management strategy developed to address **identified retention and** recruitment challenges.

A well-established support programme for staff that promotes emotional well-being.

Developed the leadership, innovation and people skills in managers.

Staff contribute to, and are supported through change.

A workforce which fully embraces the values of NWSSP and puts them of the heart of everything we do.

Corporate approach to customer service excellence and Service improvement skills embedded.

Implemented agile working strategy, increasing the **flexibility and productivity** though effective team working.

Continuous improvement programme to link in to the PADR process.

EXCELLENCE

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

World class services that **are efficient resulting in greater resilience, efficiency,** standardisation and collaboration across co-located services.

Comparable assessments and benchmarking of our services and achievements against world class requirements and industry competitors.

A greater understanding of the prioritisation required in the continuous improvement program (CIP) so we can **have the greatest benefit of efficiencies.**

The Single Point of Contact to be fully established as the central portal in enhancing recruitment across Wales.

Embedded performance **framework that identifies** areas of excellence and for improvement.

Continued innovation and development of ESR and interfacing workforce solutions.

Using metrics to help improve our performance in a more proactive manner adding value through our service user contact management systems.

Reduced our impact on the environment by implementing a range of schemes to reduce our carbon footprint e.g. Sustainable Travel Policy.

SERVICE DEVELOPMENT

To develop and extend the range of high quality services provided to NHS Wales and the wider public sector.

Fully maximising ESR e-learning to support the technology enabled learning agenda for NHS Wales, local government, national government and the wider public sector in Wales.

Storing 50% of GP Practice patient paper records within PCS and providing a scanning function to these practices wishing to receive records in our store and demand service.

Providing a sustainable all Wales temporary staff bank arrangement to increase the supply of nursing.

Extension of our support services into Primary Care sector e.g. payroll, recruitment and procurement.

Leading the way as a Welsh Language Hub for NHS Wales.

Further develop a clear information management structure to help leverage the volume of data into a rich intelligence source for service development.

Further specialities to be employed under the lead employer model offering the same streamlined **processes and benefits** to those employed.

Provide a holistic legal advice service across the public sector in Wales.

Provide a professional printing and design facility and scanning service for NHS Wales.

VALUE FOR MONEY

To develop a highly efficient and effective shared services organisation which delivers real term savings and service quality benefits to its customers.

Achieving all financial targets with reinvestment of savings within NWSSP to increase professional **influence savings and** improve quality of services based on customer and partner's needs.

Identification and maximisation of targeted income generation opportunities linked to the growth plan.

Receiving and automatically processing 90% of prescription forms through the Electronic Transfer of Claims (ETC) rollout.

Maximising efficiencies for logistics and transport for -Patient Transport in NHS Wales.

A well established, **financially stable business model with future benefits** and growth planned.

An estate that offers agile working to all NWSSP staff and our partners.

Continued realisation of **significant Professional Influence savings.**

Centrally managed range of **salary sacrifice schemes for** NHS Wales.

IT technologies and robotic process automation embedded delivering **efficiencies.**

Strategic procurement closely integrated with NHS Wales policy and strategy.

Key Performance Indicators

The table below outlines our key performance indicators and targets. We have reviewed our current year's performance and set ourselves improvement targets until 2021.

High Level KPI's and Targets		Current Year	2019/20 Target	2020/21 Target	2021/22 Target
Internal Indicators					
Corporate					
Financial Position – Forecast Outturn	Monthly	Break even	Break even	Break even	Break even
Capital financial position	Monthly	Within CRL	Within CRL	Within CRL	Within CRL
Planned Distribution (£m)	Annual	£1.75m	£0.75m	£0.75m	£0.75m
NWSSP PSPP %	Monthly	99%	99%	99%	99%
NWSSP Org KPIs Recruitment					
Time to Approve Vacancies (days)	Monthly	8	10	8	6
Time to Shortlist by Managers (days)	Monthly	7	8	7	6
Time to notify Recruitment of Interview Outcome (days)	Monthly	3	4	3	2
Workforce					
Staff Sickness	Cumulative	3.83%	3.3%	3.3%	3.3%
PADR Compliance	Monthly	81.02%	**>85%**	**>85%**	**>85%**
Statutory and Mandatory Training	Monthly	91.62%	**>85%**	**>85%**	**>85%**
Agency % to Date	Cumulative	0.85%	<0.8%	<0.8%	<0.8%
External Indicators					
Professional Influence					
Professional Influence Savings	Cumulative	£88m	£100m	£100m	£100m
Procurement Services					
Procurement savings *Current Year	Cumulative	£25m	In Year Plan	In Year Plan	In Year Plan
All Wales PSPP	Quarterly	96%	95%	95%	95%
Accounts Payable % Calls Handled (South)	Monthly	99.1%	95%	95%	95%
Employment Services					
Payroll accuracy rate (Added Value)	Monthly	99%	99%	99.94%	99.97%
All Wales Org KPIs Recruitment					
Time to Approve Vacancies (days)	Monthly	9	10	8	6
Time to Shortlist by Managers (days)	Monthly	7	8	7	6
Time to notify Recruitment of Interview Outcome (days)	Monthly	3	4	3	2

High Level KPI's and Targets		Current Year	2019/20 Target	2020/21 Target	2021/22 Target
All Wales Org - NWSSP KPIs recruitment element					
Time to Place Adverts (days)	Monthly	1	2	2	2
Time to Send Applications to Manager (days)	Monthly	1	1.6	1.6	1
Time to send Conditional Offer Letter (days)	Monthly	4	4	4	3
Recruitment % Calls Handled	Monthly	96.3%	97.5%	98.5%	98.5%
Primary Care Services					
Payments made accurately and to timescale	Monthly	100%	100%	100%	100%
Prescription - keying Accuracy rates	Monthly	99%	99.75%	99.85%	99.85%
Internal audit					
Audits reported % of planned audits	Cumulative	32%	In Year Plan	In Year Plan	In Year Plan
Report turnaround management response to draft report [15 days]	Cumulative	57%	80%	80%	80%
Report turnaround draft response to final reporting [10 days]	Cumulative	99%	80%	80%	80%
Legal and risk					
Timeliness of advice acknowledgement - within 24 hours	Monthly	100%	99%	99%	99%
Timeliness of advice response – within 3 days or agreed timescale	Monthly	100%	99%	99%	99%
Welsh Risk Pool					
Acknowledgement of receipt of claim	Monthly	100%	100%	100%	100%
Valid claims received within deadline processed in time for next WRP committee	Monthly	100%	100%	100%	100%
Claims agreed paid within 10 days	Monthly	100%	99%	99%	99%

In addition to our organisation's key performance indicators, each division has their own set of indicators as part of their delivery plans (section 2). The delivery plans outline the key actions and milestones that will be delivered over the next three years to achieve these key performance targets as well as service improvements that will enhance the services we provide to our partners.

We are currently developing an updated performance framework to be embedded across NWSSP from April 2019. This will bring together the key performance indicators that highlight our strategic performance as well as the inputs and outputs needed to achieve this. We will continue to provide case studies and other qualitative means to demonstrate our performance.

ACHIEVEMENTS IN 2018/19
What difference are we making?

Achievements in 2018/19

We have made a significant number of organisational achievements, most notably:

1. **We have an approved and financially balanced IMTP for 2018-21.**
2. **We have delivered significant professional influence savings for NHS Wales.**
3. We have been a key enabler in delivering the National Improvement Programme.
4. We have maintained service delivery during periods of organisational change.
5. We have succesfully helped create a new all Wales services.

This is our assessment of our achievements against our overarching goals from last year, as at 31 January 2019.

GOAL 01

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

Advisory stakeholder and responsive delivery of NHS Wales Pay Awards.

Customer Service Excellence Compliance+ recognising two core areas of customer focus in Employment Services.

Annually achieving commendatory audits under the Law Society's Lexcel Quality Assurance and the Customer Service Excellence standards, the latter in which Legal and Risk Services were awarded compliance +++.

Deployed professional authorising engineer (AE) roles in order to **secure significant safety assurance** in specialist engineering areas.

SMTL Investigated 255 medical device defect reports, including contacting manufacturers to check they are taking appropriate action and detection of systematic problems.

Consistency in audit reporting and opinions across Wales matched with rigorous assurance processes to help organisations to manage key risks.

Full deployment of ESR Self Service Portal across NHS Wales that enables real time digital workforce interactions and removes paper dependency.

We have reviewed the PROMPT programme which has seen an improvement in delivery of maternity services and reduction in harm to mothers and babies.

Helping Health Boards and Trusts to deliver service transformation & innovation e.g. strategic NHS Wales IM&T agenda, transforming Cancer Services in S.E. Wales, Specialist & Critical Care Centre Project, Stoma Service re-design, formation of HEIW, Transforming access to medicines (TRAMS) project.

Establishment of a Value Based Procurement team to facilitate the adoption of Value Based principles into business as usual for contracting. Early contracts underway testing the adoption in practice, including point of care testing for anti-coagulation monitoring, introduction of sacral nerve stimulation technology, Utilisation of Enhanced Recovery After Surgery methodology **(ERAS) and a reconfiguration of Stoma services.**

GOAL 02

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

Established an estates related benchmarking approach for service improvement and capital investment prioritisation purposes.

Development of service offerings, taking into account Customer/ Stakeholder and NWSSP divisional needs, including PMR and Enhanced Services inside GMS and Community Pharmacy.

Introduction of Home Care Distribution and Home Clinical Waste collection.

Providing support to Critical Care (EMRTS) on a Pan Wales Basis, without boundaries.

Supported the creation of the Health Education and Improvement Wales Special Health Authority.

ISO14001 accreditation.

Commercial support to the development of a collaborative Nurse Bank model in Wales.

Delivery of planned Capital Schemes and discretionary Capital Programmes including unplanned additional capital allocations e.g. **Efficiency through Technology** Fund.

GOAL 03

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

- **Delivered the first Student** Streamlining Scheme matching graduates with employment.

- Change processes driving **efficiencies and governance** through technology e.g. 90% e-Payslips, transactional e-Forms and scheduled robotic processing

- 37% new registrants to NHS Wales Bursary

- Process re-engineering in the Prescription Process area with expansion of our automated Rules Engine.

- Support service transformation without boundaries, e.g. EMRTS, ARCH, Histo-Pathology (Frozen Section), Welsh Blood Service and Public Health Wales.

- Working in partnership with NHS England through the new ESR contract to agree ESR solutions **that reflect Wales policy and pay** scales, effectively enabling costs avoidance for NHS Wales of £3 million.

- Removal of variation and waste through maximising ESR interfaces and robotic solutions to improve processes.

- Helping NHS Wales to deliver social, economic and **environmental benefits through** procurement.

- Making Procurement rules accessible and understandable to all with the publication of a new Procurement Manual.

- NWSSP support throughout the Bridgend Boundary change.

- Commercial support to the All Wales Medical workforce group, implementation of medical agency rates and driving reduction in off contract Agency.

GOAL 04

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

- Pro-active approach to legislative compliance e.g. recruitment through Welsh language

- Improved skills and capacity across NHS Wales through provision of ESR and e-learning resources.

- Enabled ease of access to personal data and e-learning via internet and Apps.

- Investing an additional £100k in training and development for our Procurement staff.

- Developing action plans to address matters arising from the national staff survey.

GOAL 05

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

- Distributed £2m of direct cash releasing savings to NHS Wales.

- Savings to NHS Wales through reduced cost per payslip and recruitment FTE.

- Absorbed additional service demands e.g. enablement focus on local delays, IR35.

- £1.949m saved in 2017/18 through the negotiation of revised building lease terms on behalf of NHS Wales.

- £13.59m was realised from the disposal of surplus health related property in 2017/18.

- Reduction in annual running costs of over 20% (recurring) since the formation of PCS.

- Releasing cost avoidance opportunities of £0.5 million through the new ESR contract to fully access and utilise the e-learning solution.

- **Significant cost efficiencies and** cost avoidance savings through deployment of ESR e-Learning.

- On target to deliver contract savings in excess of £26m which includes rebate income from Priority Supplier Programme in 2018/19.

- Continue to encourage use of PTR to improve savings and enhance lessons learned around care provision and incident investigation in respect of lower value cases.

- **Achieved financial and non-financial benefits which include improved** patient outcomes & enhanced safety e.g. Mental Health Learning Disability agreement, CAMHS, Home Oxygen.

GOAL 06

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

- The delivery of stronger collaboration, construction time **and cost efficiencies through** the creation and maintenance of the Designed for Life (DfL) procurement frameworks generated savings of £8.28m in 2017/18.

- Support to Welsh Government and NHS Wales as part of NHS Wales Mass Casualty Resilience.

- Positive feedback from Audit Committee annual reviews and audit satisfaction surveys.

- Manage £4bn BAC's payments per annum.

- Supporting the transition of Bridgend and Localities into Cwm Taf Health Board.

- Active role in reshaping Standing Financial Instructions – Procurement to form a modern **and fit for purpose governance** model.

- Supporting the development of a commercial approach to Non Pay management by implementing the business partner model within NHS Wales organisations.

- Ensuring that Health Organisations achieve the Public Sector Pay Performance target of paying at least 95% of supplier invoices paid in 30 days. In situations where they do not, working with the Health Organisation to address any root-cause issues e.g. delay in receipting.

- Introduced an All Wales Policy on No Purchase Order, No Pay. Live on September 1st 2018.

- Supporting "Referral to Treatment" targets within Health Boards via various outsourcing arrangements with non NHS Wales providers.

GOAL 07

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

- Reduced costs and risk through **Certificate of Sponsorship and** Medical relocation management.

- Specialist Estates Services have facilitated the recovery of over £39m of rate rebates in the primary care sector for the 2010/17 revaluation period.

- Created a uniformity of approach across NHS Wales to the rental reimbursement reviews of General Practice (GP) occupied properties.

- Reducing variation through review and modernisation of current service models. Supporting prudent healthcare and a 'Once for Wales' approach introducing the Alternative Treatment Scheme.

- Introduced a new service delivery models within the Health Courier Service to include providing Ad-Hoc/24 Hour/ Out of Hours cover.

- Integration of Primary Care Services transport and distribution to HCS and continued development of services provided to NWSSP.

- Clinical Procurement Nurse Engagement delivering standardisation, rationalisation and implementation of the All Wales Medical and Clinical contracts.

- Supporting the delivery of Modernisation and Digital Healthcare strategies to enable transformational change within the system, providing better patient care e.g. 111 support system and All Wales Pharmacy System.

GOAL 08

*We will support NHS Wales meet their challenges by being a catalyst for **learning lessons and sharing good practice**. Identifying further opportunities to deliver high quality services.*

Provision of professional support, advice and guidance in relation to estates matters generally and major capital projects.

Scanning solutions to reduce paper transactions provided across PCS and broader NWSSP.

Profile of Internal Audit raised at board and audit committee level across Wales and delivered training for Independent Members on governance and risk matters.

Effective audit and assurance support of national initiatives such as the FD's Financial Governance, P2P and Hire to Retire.

Improved quality and completeness of workforce data to inform business critical decisions.

Assisting Health Boards and Trusts with resource and capacity shortages in specialist areas e.g. Radiology Reporting, Advocacy Services.

Supporting the implementation of improved inventory management at the Health Boards, through greater collaboration with supply chain.

OPPORTUNITIES AND CHALLENGES IN 2019-22

What do we need to develop and improve?

Opportunities & Challenges in 2019 to 22

Our trusted partnerships are a key enabler to delivering world class services for NHS Wales. It is important for us to further develop our trusted partnership relationship, outlining the needs and challenges of our partners, how we are working to meet those needs and what we need from our partners. Additionally, we will identify the risks and issues that could prevent us from meeting the needs of our partners and our continuous efforts to improve quality in all that we do.

The Shared Services Partnership Committee are regularly asked how we can enable them to deliver for the communities in Wales. The committee members provide us with insight into how we can align our service developments with their needs.

The needs and challenges of our partners

As an organisation that supports NHS Wales, we have to ensure that we are meeting the needs and challenges of our customers and partners. This has been the most austere decade in terms of funding growth, and the Health Foundation have outlined £600m savings that are required to support the sustainability of the NHS in Wales. This undoubtedly places great **financial pressures on our partners and in** response to those pressures we have a key role in ensuring sustainable workforce **and finance.**

We have engaged with our partners to understand what they want from us over the next three years. This is evidenced by each of the divisions in their delivery plans (Section 2) and below are the key areas highlighted through all of our ongoing conversations and engagement.

Continue to provide...

✓ Excellent customer service and easy access to all our services.

✓ Delivery of high quality services by professionals.

✓ Timely, accurate workforce intelligence available to inform business decisions at the 'touch of a button'.

✓ Reliable test data from SMTL to support purchasing and contract decisions.

✓ Close working relationships between NWSSP teams and the NHS Wales organisations' internal teams at all levels to deliver better patient outcomes.

✓ A one-stop shop that offers expert legal advice providing effective solutions for managing legal risks.

✓ Embed the principles of value based procurement into business as usual, in order to focus beyond price and include **non-financial benefits, health** care outcomes and sustainable solutions.

Partners want us to...

✓ Develop a Welsh language hub.

✓ Expand the lead employer service.

✓ Further support the national primary care plan.

✓ Engagement and service re-design aligned to the NHS Wales 'A Healthier Wales' plan for primary care transformation.

✓ Development of ophthalmic informatics services undertaken and National User Group established.

✓ Sharing best practice and **opportunities for efficiency** savings/CIP.

✓ Lead on collaborative working within the NHS Wales estate **and understand wider benefits** of estates collaboration **specifically with Primary Care** providers.

✓ Review our customer facing systems to ensure ease of access and usability.

Our partners have told us what they would like us to focus on and we have taken these on board and delivered the following actions aligned to our well-being goals:

How we are supporting the needs and challenges of NHS Wales

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

Audit and Assurance Services – Liaison with key stakeholders from all NHS Wales through both national groups and one-to-one meetings to benchmark and sharing good practice.

Primary Care Services – Engagement and service re-design aligned to the NHS Wales 'A Healthier Wales' plan for primary care transformation.

Procurement Services - Supporting "Referral to Treatment" targets within Health Boards via various outsourcing arrangements with non NHS Wales providers.

Specialist Estates Services – Support the development of the 19 primary care pipeline schemes, including the integration of Social Services, the 3rd sector and other services relevant to a whole systems approach.

Legal and Risk Services – Working with Welsh Government to develop and provide new arrangements for the indemnity of General Medical Service Providers in Wales.

Digital Workforce Solutions - deployment of an electronic Employee Relations solution that will interface with ESR.

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

Employment Services – improving internal recruitment processes and supporting organisations to streamline local processes developing an added value Hire to Retire service.

Primary Care Services – Site and Service Rationalisation Project. Continuation of the 'one site one service' strategy realigning services as part of NHS Wales Transformation in Primary Care Services.

Procurement Services – continue to support the provision of high quality clinical and cost effective patient care through engagement with suppliers and customers, including clinicians.

"We will continue to standardise, innovate and modernise our service delivery models to achieve the well-being goals and the benefits of prudent healthcare"

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

NWSSP wide – we are a listening and learning organisation who will respond to the NHS Wales Staff Survey to improve staff experience and respond to issues raised.

NWSSP wide – we will support staff in our transformation journey. Ensuring that new technologies are embedded into business as usual and staff have an agile working environment.

Single lead employer for GP registrars – increase recruitment through consistent standard of training and **simplified processes. This process is being explored in** other professional areas.

NWSSP wide – continue to achieve over £100m **professional influence savings per annum, and** continue to take on additional work from others because we reinvest what we have saved.

Specialist Estates Services – support strategic change, capital probity and effective use of resources through business case scrutiny and construction procurement frameworks.

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

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

Audit and Assurance Services - Providing further **financial savings by reducing the recharges for core** capital & estates audit work and integrating into the main audit plans.

Central Team eBusiness Services - provide a 2nd line support service to assist our customers to understand immediate business operational incidents and provide an in house development service.

Digital Workforce Solutions – Deployment of an prioritised programme of ESR e-Learning resources for NHS Wales, improved services and solutions to the Moodle learning solution with maximum   usage by the wider public sector with robust governance and quality assurance processes.

Legal and Risk Services and Welsh Risk Pool – reduce harm and risk through sharing good practice and lessons learnt and supporting the development of safe clinical processes, and supporting patient quality and satisfaction through "Putting Things Right"

Audit and Assurance Services - Benchmarking and sharing good practice and information on emerging issues – a focus on insight and foresight.

"We will support NHS Wales by influencing innovation, modernisation and consistency through sharing lessons learnt and delivering high quality services"

"We will work in partnership to deliver world class service that will help NHS Wales tackle key issues and lead to a healthier Wales"

Employment Services - meet the increased recruitment needs of health organisations to meet safe **clinical staffing levels and forge strong relationships, performing an advisory and professional influencing role** to Welsh Government, Department of Health and 3rd party system providers.

Health Courier Services **– further provide efficient,** timely transport of samples and results between **primary and secondary care through simplification,** centralisation and economies of scale.

Procurement Services – provided dedicated support to each Health Board to increase the supply of nursing through contract agencies.

How we are supporting local needs and challenges

NWSSP must be in a place to support and **respond to the significant local service** change-taking place as well as helping lead on driving A Healthier Wales and looking to the future for future generations.

As a supporting organisation, we are an enabler to service change across Wales including the boundary changes that will affect Health Boards and supporting the development of new organisations such as Health Education and Improvement Wales. When models of care change within Health Boards and Trusts this has an impact on their recruitment, procurement and estates infrastructure. We can provide valuable intelligence to organisations highlighting areas through procurement that they can make non-pay savings through reducing inappropriate variation.

In the map overleaf, we highlight some **of the significant service change that** is planned over the next three years by our partners. We have gathered this information through our ongoing conversations in different forums such as the Shared Services Partnership Committee and Assistant Directors of Planning. The map only shows some of **the significant service changes at this** point time and they are likely to change over the next three years.

Individual Health Board **Significant** Service Changes

Living Healthier, Staying Well

Betsi Cadwaladr
University Health Board

Service integration with Powys County Council

Powys
Teaching Health Board

A Healthier Mid & West Wales

Transforming Mental Health

Transforming Clinical Services

Hywel Dda
University Health Board

Centralisation of Medical Admissions

Royal Glamorgan Children's & Maternity Services

Clinical Futures & Construction of Grange University Hospital

Anuerin Bevan
University Health Board

Cwm Taf
University Health Board

Abertawe Bro Morgannwg
University Health Board

Shaping Our Future Wellbeing

Cardiff and Vale
University Health Board

Collaborative **Significant** Service Changes

Betsi Cadwaladr

Mid Wales Healthcare Collaborative

NHS Future Fit

The Shrewsbury & Telford Hospital NHS Trust

Powys

ARCH Programme

Hywel Dda

Cwm Taf

Anuerin Bevan

Abertawe Bro Morgannwg

South East Wales Regional Planning Forum

Bridgend Boundary Change

All Wales Bank Collaboration Pilot
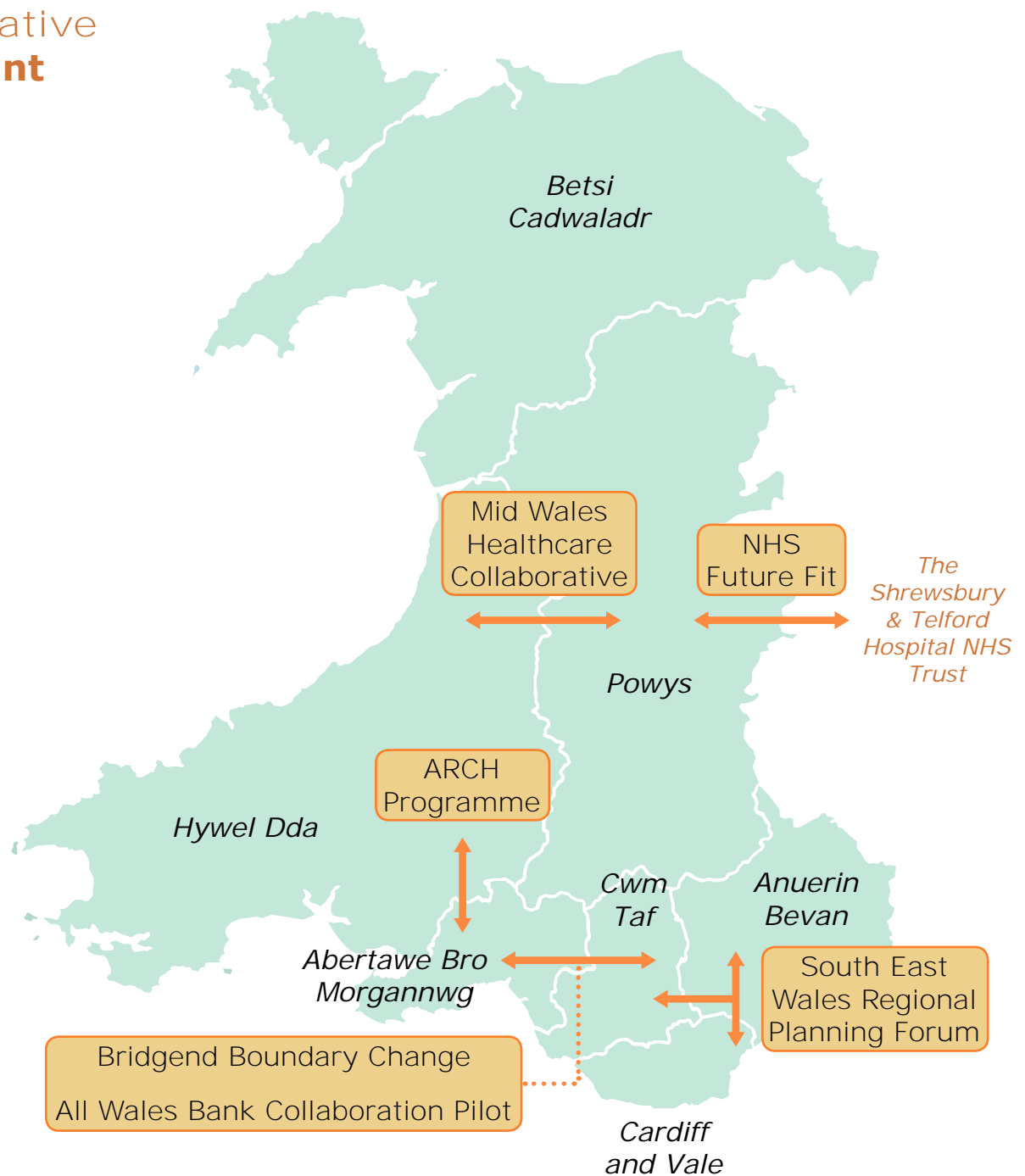
Cardiff and Vale

Regional Significant Service Change

Transforming Cancer Services *with Velindre University NHS Trust*

- Abertawe Bro Morgannwg
- Aneurin Bevan
- Cardiff and Vale
- Cwm Taf
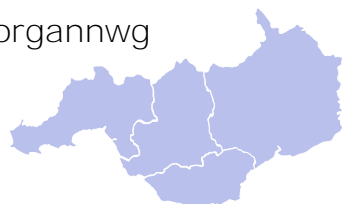
All Wales **Significant** Service Changes

- PROMPT Wales
- Datix
- Train.Work.Live.

What we need from our customers and partners

Collaboration – working together to achieve a common outcome.

Commitment – engaged and dedicated to work together.

Co-production – working jointly to design and deliver an outcome.

Consolidation – working together to make something stronger and better.

Once for Wales – removing geographical boundaries and delivering for the whole of Wales.

Shared ownership – jointly owning the vision, actions and outcomes.

NWSSP can only deliver 'Once for Wales' solutions across NHS Wales if we understand our customers and partner's needs and we have the commitment of our partners to deliver shared outcomes. Central to being an enabling trusted partner is the requirement for organisations to adopt the Once for Wales systems and processes that we **put in place to drive efficiency. Without** the commitment of our partners, we can't truly implement improvements in a **unified way. If systems and processes are** not adopted in a consistent manner and different organisations require variations, **the full benefits can't be realised across** Wales.

We understand that each organisation in NHS Wales is on its own journey of transformation to meet the needs of their population. Therefore, they might not all be in a place to adopt our services or projects at the same time. Where needed, we will roll out our Once for Wales systems and processes on a staggered basis, highlighting the positive impact on driving **efficiencies to encourage remaining** organisations to adopt at a later date.

NWSSP Service Developments	Purpose	What we need from our partners
Enhanced data on customer costs/claims **– more information** more quickly	▶ Improved MI and reducing sickness.	▶ Once for Wales approach and to use the data.
Full deployment digital workforce solutions and systems (incl ESR Enhance)	▶ Easily accessible and interactive workforce solutions. ▶ Automate and streamline processes removing waste.	▶ Engagement with local IT leads. ▶ Full roll out and use of ESR self-service portal. ▶ Implement recommendations of Hire to retire. ▶ Occupational Health Interface.
Extending procurement **influence into other** areas including appliances, pharmacy and medical locums service.	▶ **Influence on non-pay** expenditure. ▶ Reduce variation.	▶ Health board buy in. ▶ Resources/investment.
Primary Care Sustainability	▶ Support General Medical Services Contract Reform Programme. ▶ Single workforce systems for sector to support recruitment, retention and diversity of workforce. ▶ Aligned to professional indemnity for GP's and multi-disciplinary workforce.	▶ Identify clusters to undertake pilot proof of concept. ▶ Timely adoption of Primary Care technology and associated processes. ▶ Release of capital funding to support April 19 implementation.
Purchase to Pay	▶ A modern world class end to end Purchase to Pay process. ▶ Lower unit costs. ▶ Better information.	▶ All organisations to implement no PO no Pay policy ▶ Maximise cash savings from Priority payment programme
Value based **procurement –** Evidence Based procurement Board	▶ Reduce unwarranted variation. ▶ Purchase medical consumables and devices, optimum patient outcomes.	▶ Medical Director and clinicians buy in. ▶ Adopt the recommendations of the Board.

NWSSP Service Developments	Purpose	What we need from our partners
Student Streamlining Recruitment Process	► Recruitment of all healthcare students in partnership with Universities.	► Consistent support from all stakeholders and application of single model.
Ongoing development of paper-lite payroll processes	► Reduce the reliance on paper within local payroll processes.	► Stop the use of paper payslips. ► Full implementation of ESR Self Service functionality. ► Full and timely implementation of ESR Exception e-Forms.
Prescription - Electronic Transfer of Claims in Primary Care	► Reduce the reliance on paper. ► **Increase efficiencies.** ► **Better financial** information.	► Consistent application of the process. ► Collaborate NWSSP & GPW.
Storage and Scan on demand in Primary Care through the electronic storage of records	► Free up the Primary Care estate. ► Improvement Grant savings. ► Shift to primary care.	► Promote in Primary Care Plans. ► Support to clusters.
NHAIS replacement	► Replacement of the system for registering patients and making payments to primary care practitioners.	► Consistent application of the changes and ongoing communication through deployment. ► Engagement and support.
Audit and Assurance Engagement	► Ability to implement, improvements and share best practice.	► Greater engagement around creating action plans. ► Smarter management responses.

Improving Quality

We strive for both improvement in the processes that we use within NWSSP and improvement in the processes that NHS Wales use. We are skilled at working through complicated processes that involve many stakeholders and **making significant improvements for** our customers and partners as well as NWSSP. For example, when we worked to decrease the length of time it takes to recruit nurses, we broke down each part of the process to ensure that it was clear who was accountable for each action in the process.

As part of our journey to world class, our divisions have increased the quality of their provision of services using automation. For example, Primary Care Services have enabled this across the organisation through their scanning services, removing the requirement for staff to input information and the digitisation of patient medical records. Additionally, e-Workforce solutions have a fundamental role in facilitating an increase in quality in workforce data through supporting the use of the full capabilities of ESR and technology enabled learning. The Once for Wales approach in itself is a quality measure reducing inappropriate variation and ensuring consistency of application in processes.

Managing performance

Supporting progress towards the achievement of excellence is the commitment to continuous development through the adoption of a number of best practice quality models, awards and standards. These provide quality assurance as well as sustained short-term and long-term improvement.

NWSSP, working with the Finance Academy and Directors of Workforce and OD through the delivering excellence programme, is striving to improve performance and incorporate good practice amongst NHS Wales organisations. Our new updated Performance Framework will be released in early 2019/20 and will have been informed by our partners and customers' needs.

Quality performance indicators

Key performance indicators have been **identified for each service, and are** summarised in their delivery plans (Section **2). A number of these relate specifically** to quality and service improvement.

Quarterly performance reports that incorporate detailed key performance information are prepared for each Health Board and Trust. These reports form the **basis for discussions with executive officers** during regular meetings throughout the year. In addition, individual services produce more detailed key performance indicators that are discussed with Health Board managers during the course of the year. The information provided to each Health body contains key performance indicators for all Health bodies and areas of good practice and strong or performance are highlighted.

Customer Service Excellence Standard

Supporting our objectives that focus on our customers, a number of our divisions, including, Procurement, Employment Services, Primary Care Services, Specialist **Estates Services and Legal and Risk have all achieved and maintain the Cabinet Office's** Customer Service Excellence Standard. Over the next year we will look at all of our quality and improvement standards to further enhance our corporate approach to quality and improvement.

Awards and Recognition

Awards and recognition are important as they help to encourage and motivate staff and also to formally demonstrate the value of their work. We believe it helps to drive the quality of our services encouraging a culture of continuous improvement. In support of this, we continue to hold our annual staff recognition awards aligned to our values. The **awards also reflect our cross-partnership working with our Union colleagues as well as** the promotion of our environmental objectives and Welsh language obligations within NWSSP. The awards are positively received by staff and planning for the 2019 event is underway as this is an established annual event in the Shared Services calendar.

A measure of the quality of our services is the recognition we have received from national bodies. Our services have been nominated for and won a number of prestigious external awards;

This year and we will continue to support staff to enter awards to recognise their dedication to our journey of being a world class shared services organisation.
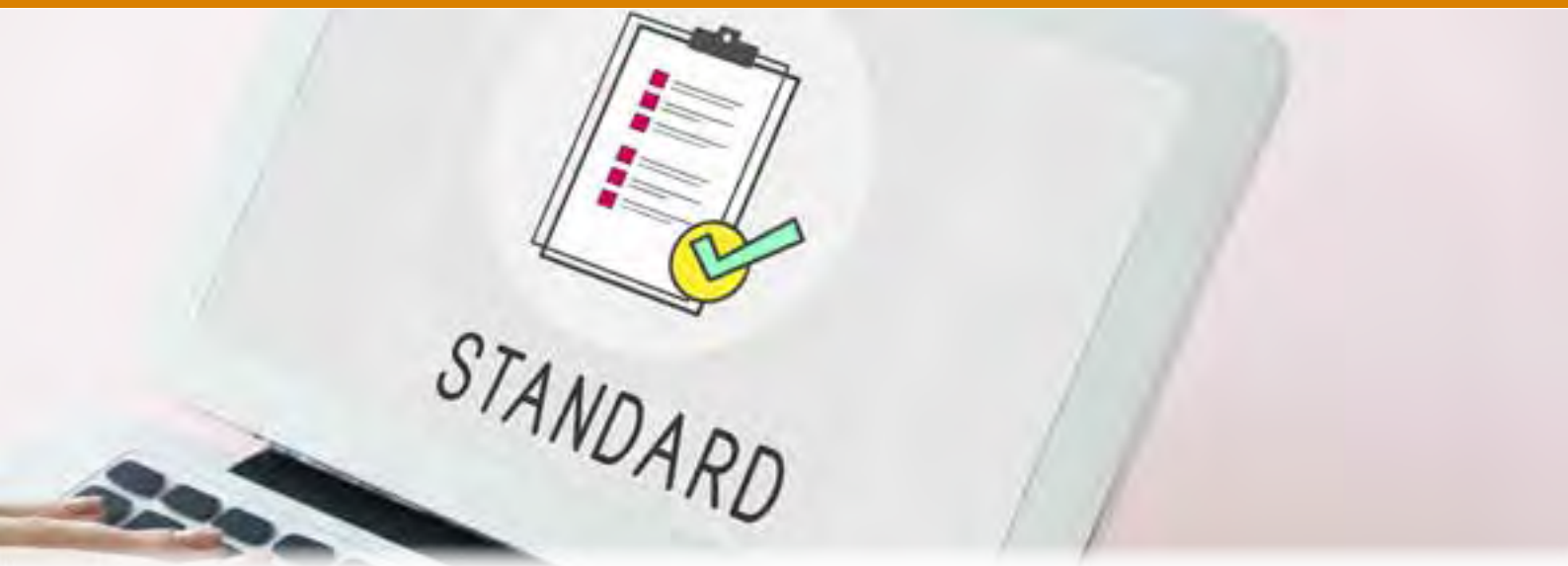
Quality Standards

As an organisation, we successfully implemented ISO14001, our Environmental Management System in 2014, in accordance with Welsh Government requirements and have **successfully maintained our certification** to date through the operation of a Plan, Do, Check, Act cycle. We have recently achieved transition to the updated ISO14001:2015 Standard, which puts 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 our interested parties.

Procurement Services maintains **certification to a number of international** and national standards as follows, ISO 9001 Quality Management, ISO 27001 Information Security, OHSAS 18001 Occupational Health & Safety and Customer Service Excellence. Our Regional Stores are also accredited to the STS Code of Practice & Technical Standard for the Public Sector. During 2018/19 **our ISO 9001 scope of certification was** extended to include our Accounts Payable function in South Wales and Front Line Procurement teams at an additional four locations. In 2019/20 we will include our Accounts Payable function in North Wales.

We will also be extending our Customer Service Excellence accreditation to include Health Courier Services. Work will also be completed to transition from OHSAS 18001 to ISO 45001 and comply with updates to the STS Code of Practice.

We continue to work towards the ISO27001 Information Security Management Standard (ISMS). We have developed on organisation wide cyber-security action plan that will be implemented prior to ISO 27001. We recently took part in a cyber–security audit as part of our work to achieve the Cyber Essentials Plus standard from the international NIST framework, our **plan has been updated to reflect the** recommendations. The standard aims to improve resilience and responsiveness to threats to information, preserving **confidentiality, integrity and availability** of information (CIA) by applying a risk management process. It deals with the need for prevention and all aspects of protocol including technical, physical and legal control.

SERVICE CHANGE
How will we develop and improve?

Service Change

Service change is a fundamental component to ensure continuous improvement and to **reflect the needs and challenges of our** partners. NWSSP corporately and through each division will be undertaking service developments over the next three years as part of our journey to being world class and these are outlined in detail in their delivery plans (Section 2). This chapter **provides an overview of the significant** service change NWSSP will experience over the next three years.

We continuously review our services and have implemented processes that will **maximise efficiency, effectiveness and** value for money, supporting organisations to apply lessons from the Lord Carter Report by minimising variation through world class standards.

The primary focus of reducing unwarranted variation is explicitly linked with the work already progressed on Prudent Healthcare. In his report Lord Carter **identifies four themes Workforce, Hospital** Pharmacy and Medicine Optimisation, Estates Management and Procurement. Some examples of where we are driving the work across NHS Wales to optimise **resources, increase quality and efficiency** are:

Workforce

Collaboration of workforce processes supporting a once for Wales approach that will drive standardisation in areas such as workforce planning, helpdesk support and job evaluation supporting the implementation of the All Wales Staff Bank.

Hire to Retire automated modernised processes that support staff from **first job application to payment of pension. The benefits include quicker** recruitment, better performing staff, improved communication with staff and portability of staff information.

Implementing key digital information systems including the developments in ESR functionality which will empower managers to manage and staff to take responsibility for their own data to drive up data quality.

Hospital Pharmacy and Medicine Optimisation

Drive automation and efficiency in prescribing by receiving and automatically processing prescription forms through the Electronic Transfer of Claims (ETC) rollout.

All Wales Drug Contracts provide hospital pharmacy departments the drugs they purchase, ensuring quality of product at value for money prices. The contracts cover all branded drugs (patented), as well as generic contracts and pro-vide a One Wales approach to procurement and rationalisation to one provider where clinically possible.

Estates Management

NHS Wales Estates benchmarking data shared and discussed at the All-Wales Directors of Planning Group.

Assistance to Health Boards and Trusts in the management of contractor and designer supply chains with the establishment of Project Manager and Cost Adviser frameworks.

Centrally procure and manage National and Regional construction and consultant frameworks for use by NHS Wales on major capital projects in excess of £4m construction cost. quality.

Procurement

Purchase to Pay looking to ensure that goods and services are sourced, ordered, delivered and paid for **efficiently, ensuring NHS Wales has** what it needs at the right time and at the best price. Implementation of **the 'No PO, No Pay' has significantly improved the efficiency of purchase** to pay.

Clinically led procurement acting as a focus for developing and **refining local professional opinions** on products purchased by reviewing evaluations and assessments to test the existing evidence base and support the rationalisation/standardisation agenda.

Service Change across NWSSP

All of our divisions and services are on a continuous journey to being world class and undertaking service improvements. As a growing organisation we also **undergo significant service change on an** annual basis with the growth of existing services, addition of new services, service relocations through the realisation of our accommodation strategy and the reallocation of services to other health bodies. Many of the services changes that are being implemented have common themes.

In order to embed our well-being objectives we have considered how to **grow our services aligned to the five ways** of working and ultimately to drive forward the requirements of Prosperity for All.

Service change aligned to: *INTEGRATION*

Digital Workforce Solutions
Deployment of an agreed programme of ESR e-Learning products for NHS Wales and the wider public sector Employment Services.

Payroll, Pension and workforce digital solutions to all practices in the Primary Care Sector to generate capacity to redirect teams to patient care.

Specialist Estate Services
Develop the current property related service to support the investment of new capital, revenue and third party funding for Primary Care developments.

Service change aligned to: COLLABORATION

NWSSP Wide
Consider opportunities for additional work outside of NHS Wales by building on current non-NHS work to widen coverage to other areas that **impact significantly on the work of** NHS Wales.

Legal and Risk Services
Continued offering of a legal and governance role across all NHS Wales bodies.

Procurement Services
Introduction and application of Value Based Procurement principles as a new way of working to be embedded by March 2020.

Employment Services
Extend Student Streamlining Programme to facilitate transition of all healthcare graduates into Employment in NHS Wales.

Service change aligned to: INVOLVEMENT

Digital Workforce Solutions
Establishment of an accredited 'All Wales' Self Service & Learning Support Function that maximises economies of scale and enables local capacity.

Primary Care Services
General Ophthalmic Data Warehouse development in order to provide required assurance through improved collaboration with NHS Wales Counter Fraud Services.

SMTL
Pilot Usability Testing to provide procurement with additional evidence on which to select devices for Welsh contracts, and to enable clinicians **to have confidence in the products** that are awarded as a result of the process.

Employment Services
Establishment of a Mental Health First Aid role working with managers and team members to understand what it means to live and work with mental health issues.

**Service change aligned to:
PREVENTION**

**Service change aligned to:
LONGTERM**

Employment Services
Certificates of Sponsorship management centrally undertaken for all Medical and Dental staff this will ensure Once for Wales portability, reduced costs to NHS Wales, HEIW and individual.

Legal and Risk Services
Providing advice and guidance at the policy development stage, so risks and issues are considered early, and mistakes are not made.

Welsh Risk Pool Services
Support the development and roll out of a Once for Wales Concerns Management System. To address the Evans Report "Using the Gift of Complaints" and to identify and focus on themes.

NWSSP Wide
Expansion of the use of Robotics to ensure we are working in a modern **and efficient manner; releasing and** redirecting resource capacity to qualitative value added activities.

NWSSP wide
Investment in training and development of staff to ensure our people have the skills necessary to provide a world class service.

Procurement Services
Utilising technology and Oxygen Finance for prompt payment. P2P **process efficiencies will be ongoing** and realised over the contract term until 2023.

Employment Services
Delivering quicker and safe recruitment of staff operating digital **employment verification checks and** portability to ensure patient safety.

ENABLERS
What will enable us to get there?

Enablers

Throughout this chapter, we will address what will enable us to deliver our plan. Many components support us in our journey to being world class: our **people, finances, infrastructure, ICT and** governance. Without these components working together, we would not be able to continue to add value through partnership.

Our people

The workforce and OD plan sets out the key priorities to support the delivery of the service development strategy outlined in this plan. The improvements made to date as an organisation have been achieved through the support, hard work, dedication, commitment and skill of our workforce. Our staff will continue to play a fundamental role in ensuring that this plan, the service commitments and developments are successfully delivered.

Organisational Change

Ongoing organisational change has been a reality for NWSSP since its inception and will continue over the period of this IMTP. Re-structuring of services and organisational structures continues along with transferring in of new services supporting an ongoing requirement as services continue to develop and grow.

In addition, there is a need for our staff to be able to work in a more agile way across the whole of the estate. Ensuring that our workforce policies meet the needs of **agile working and offer flexibility to staff** will be key to its success.

Service improvement team roles have continued to develop in all transactional **areas and the benefit and expansion of** these roles, and other complimentary roles, will continue to be explored and implemented.

Development of roles will include further expansion and integration of helpdesk services in order to fully support stakeholder needs and provide an accessible and responsive service to all users. This includes the utilisation of robotic technologies to facilitate the **automation of identified labour intensive** transactional processes.

Alignment of future staff levels/skill to service plans will continue to be reviewed **and adjusted to reflect the changes in** service models and the requirements of individual services plans. In summary, **the broad areas of significant change** are highlighted below, with further detail outlined in individual plans.

Welsh Risk Pool

Refocusing staff to fully support lessons learnt agenda across NHS

Lead Employer

Potential to further develop services to provide a wider range of workforce services to primary care partners.

Scoping is underway in relation to adopting the GPSTR model for dental trainees.

Audit & Assurance Services

Further demand to recruit a small number of substantive staff to reduce the dependency on external support.

Primary Care Services

Most notable area of change relates to the changes of roles as a consequence of an automated process for prescription pricing. A retraining/ redeployment strategy is already in place to support affected staff.

As PMR continues to be taken up by GP practices across Wales, the need to scope out a revised structure and **role profile will need to take place.**

NHAIS replacement project will require resources to deliver.

Legal and Risk Services

The Legal and Risk team continues to expand with the increased supply of in house solutions to NHS Wales resulting in a reduced requirement to instruct external legal services providers.

NWSSP is the preferred partner to support GP Medical Indemnity provision across Wales and this area will continue to expand.

Health Courier Services

Courier Services currently undertaken within Powys Teaching Health Board will transfer into NWSSP. Further synergies are being scoped between HCS and Procurement Supply Chain to deliver a higher quality and more **efficient service.**

Work is ongoing to review further synergies in the courier services in HB and bringing further work in house from other providers.

Digital Workforce Solutions

Following the successful establishment of the ESR helpdesk, the service will continue to offer additional support to end users.

Specialist Estates Services

Work continues to consider an Engineering Apprenticeship role to support succession planning in this specialist service.

Procurement

Local/Central Sourcing – staff will **continue to benefit from accredited** CIPS and MSc programmes supporting succession planning and retention. Temporary band 5 posts will remain in the structure to facilitate career progression and the internal talent pipeline.

Supply Chain – contingency planning will continue for the impact **of Brexit with specific reference to staffing, stores and supply chain** requirements.

Accounts Payable – the introduction of agile working for processing staff **has proved beneficial. The impact of** this initiative has improved retention rates as well as work life balance. **This is also beneficial to space** utilisation within Companies House.

Student Awards Service

No immediate change in early years of plan and future staff needs contingent on the Welsh Government policy position regard student bursaries.

Corporate Functions

Small number of additional posts for Robotics, Project Management **Office and IT.**

Employment Services

Payroll – development of services provided to primary care will require **additional staffing to be deployed. In** additional a small investment in pay modelling expertise will be required to support the strategic pay agenda for NHS Wales. Deployment of a revised payroll structure that includes further service modernisation.

Pensions - **No significant change to** overall resourcing levels for pension transactional activity.

Recruitment – development of services provided to primary care **will require additional staffing.** Ongoing support in enablement roles designed to improve the time to hire across Wales. Live campaign and Single Point of Contact service. Refocusing of roles to support end to end process change and work in closer partnership with stakeholders to support the development and improvement of local processes

E expenses - **No significant change** to overall resourcing levels.

Service Improvement team – further development across full range of services to maximise **process efficiencies.**

Technology Advancement – Investment in dedicated developer roles to deliver customer portal and **process efficiencies through robotics** and digital technology.

WG Workforce Delivery Unit – Support the delivery of projects with Welsh Government colleagues.

New services. Subject to the outcome of the current review and business case, there is also potential for the provision of an all Wales laundry service to transfer to NWSSP in the future. In addition, following extensive scoping work led by NWSSP, work will continue on supporting the establishment of an All Wales Staff bank.

Values

We continue to embed the NWSSP values of Listening and Learning, Taking Responsibility, Innovation and Working Together. To address this, a number of targeted interventions continue to be provided:

- ✓ PADR Pay progression process has been aligned to our values.
- ✓ Our values are referenced in all training events including corporate induction.
- ✓ Staff recognition awards are aligned to our values.
- ✓ Staff Newsletter will continue to campaign and promote values based stories.
- ✓ Values based bespoke recruitment initiatives.

Recruitment and Retention

Recruitment and retention continues to be **a significant area of challenge to NWSSP.** The constraints of Agenda for Change pay has had a detrimental impact on both recruitment and retention in a number of the professional and technical services where NWSSP competes for staff with the private sector and other parts of the public sector. The services most notably affected are Procurement Services, Specialist Estates Services and Audit and Assurance Services, where remuneration levels in the private sector and other parts of the public sector are generally higher and the local labour market is very competitive. The reform of Agenda for Change will hopefully narrow the salary gap for professional areas.

Specific services are developing innovative ways to improve recruitment and increase retention. In many of our services, it is critical to ensure that we maintain a skilled **and adequate workforce to a sufficient** level, as not having the does not have a detrimental impact on service delivery and development.

Internal 'apprentice' models

Graduate placement, interns and graduate opportunities

Recruitment & Retention Strategies

'Social sourcing' initiatives

Initiation of Values Based Recruitment

Extension of in-house A&C bank supply chain, drivers & professional staff
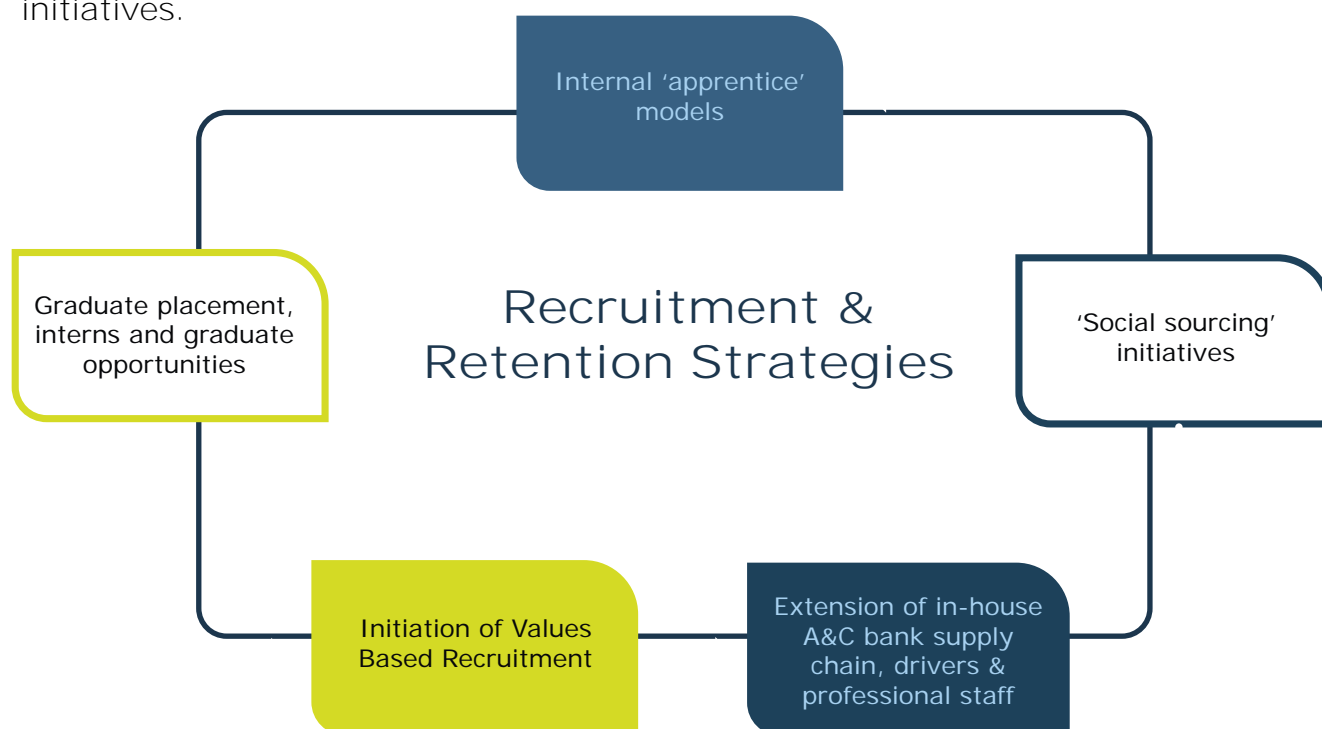
To further help mitigate the impact of recruitment and retention challenges, robust internal staff development and succession-planning arrangements are being enhanced to help 'grow our own' workforce and equip our staff for future roles and opportunities. One key example of this is the investment in an internal CIPS programme, which is supporting approximately 25 junior procurement staff to attain the relevant professional **qualification.**

Other initiatives will include the establishment of an 'apprentice' employment model within Employment Services where junior level staff are supported to rotate through a variety of areas, thus gaining a broad range of skills and experience.

The creation of the NWSSP Bank has meant that bank workers remain a good talent pipeline for permanent vacancies within the organisation and support ad-**hoc service requirements efficiently.**

NWSSP recognises that, in order to ensure that staff retention is maximised, all staff need to have a positive employment experience and feel engaged, supported, motivated and enabled to develop their careers within NWSSP. This will rely heavily on the 'people management skills' of our leaders, managers and supervisors, which is being addressed as part of the organisations learning and development strategy.

Staff Survey

The results of the NHS Wales 2018 staff survey in NWSSP continue to show positive improvements since the 2016 survey, and the organisation is above the overall NHS Wales scores on many questions. Many of the improvements this time round are **significant:**

75% of staff say that they are proud to tell people they work for NWSSP, this is higher than in 2016 (**63%), and a significant** improvement.

All of the scores on line managers have improved since 2016. The scores on line managers giving clear feedback and on making it clear what is expected of **them are both significantly improved** (up **14%** and **9%** respectively).

The score on whether staff agree that communications between senior managers and staff is effective has improved by **9%** (up from **36%** to **45%**), and is **13%** above the NHS Wales average.

The engagement index scores for NWSSP have improved since 2016 in all three themes making up the score. NWSSP's engagement scores are above the overall NHS Wales score in two of the three themes, so the overall engagement index score for the Organisation is **3.87** (up from **3.63**) is above the overall engagement index score for NHS Wales (**3.82**)

However, the survey demonstrates opportunities for improvement; this includes 11% of staff saying that they have experienced harassment, bullying or abuse at work from their manager/team leader or other colleagues – up from 9% in 2016. This is not acceptable. Therefore commitment has been made by the Senior Management Team to work in partnership with our Trade Union colleagues and listen to, engage and act upon the feedback provided by our staff.

We have developed an overarching action plan and each service area has **identified its own top priorities for action.** The key themes are staff development, health & wellbeing, communication and engagement.

Workforce Performance

Positive improvement continues to be achieved across a range of core workforce performance indicators.

Sickness absence – A challenging organisational target of 3.3% remains in effect along with individual service targets, the majority of which have been achieved throughout the year. Performance will continue to be closely monitored with individual services and collectively as an organisation on a monthly basis. The management of both short-term and long-term absence remains a priority. The new Managing Attendance Policy has been implemented and we are committed on training all managers and supervisors on effective sickness management. In recognition that stress and anxiety is the most common cause of sickness absence, active steps will continue to be taken to address the impact (detailed below), to provide staff with tools and **strategies to handle difficult situations** and to breakdown the stigma surrounding mental health.

A number of further developments will be delivered during the duration of this plan, including:

Rapid access options for occupational health support through external providers, utilised on a case-by-case basis, where this may deliver improved absence manage and facilitate quicker return to work. Rapid access for musculoskeletal and mental health support in accordance with the all wales initiative to support NHS staff.

PADR and Pay Progression – this will be reviewed and evaluated following the review of the Pay Progression Policy in April 2019. PADR compliance rates have remained positive and exceed the target of 85%.

Turnover – Staff turnover rates remain stable at approximately 10-11%. Bespoke exit processes have been introduced within high turnover areas/specialities and exit interviews will continue. These are facilitated by Workforce and OD to identify any causes for concern or key areas for improvement.

Statutory and Mandatory Training – Compliance has increased and remains **commendable at 95%. Significant effort** to promote accessibility to e-learning has **proven beneficial, particularly with roles that are not often office-based.**

Developing our staff

The development of staff remains a key priority for NWSSP.

We will continue to develop and offer a comprehensive range of in-house programmes that support the professional and personal development of our staff. The Learning and Development Programmes have been renewed to recognise the current requirements of our leaders, managers and staff.

The programmes include:

Corporate Induction – The Corporate Induction Programme is undergoing a **revamp, to ensure it is fit for purpose,** reinforces the vision and values of NWSSP and meets the core induction needs for staff. The new Corporate Induction Programme will be relaunched in April 2019. In order to ensure new starters receive a consistent induction experience, an interactive toolkit is also being developed and will contain all the information a new member of staff requires from day one, from an organisational-wide level to a local level.

Career Development – This workshop aims to provide the tools to develop for active career development and will cover the following areas:

- Identify your strengths and learn how to highlight skills
- Highlight careers of interest through self-assessments
- Set personal goals and start developing your unique career development action plan
- Application forms and effective personal statements
- Interview skills

Management and Leadership Development –
Improving the leadership capability as well as people management skills of all managers and supervisors has been a key strategic priority for NWSSP. A blended suite of leadership options will continue to be offered within NWSSP in 2019-20. New, experienced and aspiring managers will be able to access an Essential People Management programme, which focuses on leadership skills combined with practical management tools and technique to include: being an effective and motivational and engaging leader; building a cohesive team; dealing with challenging conversations; practically implementing workforce policies; promoting and demonstrating continuous improvement and development for self and the team.

- Leadership development is supported through access to the Academi Wales Senior Leadership Experience, Board Development Programme, Winter School and Summer School, and Managing Change Successfully, as well as access to ILM levels 3, 4 and 5 in Leadership and Management.

- Plans are in place for a new in-house leadership programme in 2019-20 as well as a central repository for leadership and management support and development resources via the NWSSP Intranet.

Personal Development – In addition to the courses outlined above, the provision of the following courses will be available to all staff:

- Introduction to Coaching and Mentoring - designed for all those interested in supporting other members of staff through mentoring or coaching. This could be either through using a coaching style of management or by becoming a coach or mentor to support others outside your own team

- Building Effective Relationships - addressing the ways we can build relationships that are effective, even **when they are sometimes difficult,** to include: communication; building **rapport; difficult conversations;** resolving disagreements and **conflict; assertiveness.**

- Career Development - the tools to develop active career development including: identifying strengths and skills: goal setting; application forms; and interview skills.

Innovation and service improvement – **IQT Silver Qualification In partnership** with Public Health Wales, we continue to deliver the IQT Silver programme. IQT Silver explores the Model for Improvement in detail, looking at how you can apply these to improvement projects in the workplace. We are currently reviewing our ROI and exploring knowledge transfer in the workplace as part of our evaluation and impact work. In addition, we will use the IQT methodology as the basis for the service improvement element of the Essential People Management programme.

Work-based learning - Staff will be supported in undertaking learning and development opportunities, which are part of the many Apprenticeship Frameworks that are available to staff, from Foundation to Higher level. These include:

- **ILM Management qualifications**
- Customer Service
- Business Administration
- IT User
- IT Professional
- Data Analytics
- Business Improvement Techniques
- Warehousing
- Facilities Management
- Accounting
- Project Management

These qualifications are funded by Welsh Government and are underpinned by the Apprenticeship Levy. These are centrally managed by Workforce & OD, who manage relationships with the training providers and ensure quality of delivery, as well as recording numbers of apprenticeships being undertaken and reporting on this. The subject areas of the above will address the development requirements of a number of areas within **NWSSP and reflects the diversity of** skills and knowledge required across the organisation.

Team working -we will continue to offer a range of team based working programmes which will assist managers and teams in identifying and implementing better ways of working together. These will be on a bespoke basis but will be underpinned by the values of the organisation.

A comprehensive suite of training and awareness events (including mindfulness and resilience training) will continue to be provided to support both managers and staff in better understanding and supporting mental health in the workplace.

In addition, we have launched an NWSSP Training Network to recognise the work of trainers within each service area, share best practice, and identify how best to **utilise training resources for the benefit** of our staff. An initial output of the group has been the development of a Learning and Development Charter, which will be used by trainers across the organisation and outlines the responsibilities of the organisation, managers and learners. This is aligned with the organisation's values and will be displayed in every training room and on the NWSSP Intranet.

Wherever possible, we are seeking to develop programmes of learning that can be delivered across the breadth of the organisation. This will facilitate development opportunities that are shared across the whole of NWSSP, giving learners the opportunity to share experiences from differing environments in the respective functional areas, as well as promoting connectivity across service areas. In adopting this approach, we expect to see an increased awareness among staff of the services that we deliver, and the sharing of best practice.

Succession planning and talent management

Over the duration of this plan, it is likely that a number of senior staff will retire and effective succession planning is key to ensuring business continuity. Individual services have considered ways to develop and support existing talent to grow into senior roles, along with offering retired staff to "return" to the organisation on a **flexible basis, in a different role, realising** intrinsic skills will be retained.

The NHS Wales National Succession Strategy sets out the ambition to deliver a pipeline of talent of NHS staff at local and national levels, underpinned by a technical solution through ESR. In 2018 NWSSP will utilise the National strategy to better support consistent mechanisms for succession planning and inform senior level succession planning across NHS Wales.

To ensure that the training needs and training provision for all posts is fully aligned, the ESR Talent management functionality will be rolled out across all services during the duration of the IMTP. This will ensure that the competencies **required for each post are fully identified** and the progress staff make to meet these competencies can be monitored on an ongoing basis, enabling targeted and intelligent investment decision to be made.

Health and Well-Being Strategy

In support of the Healthy Working Wales Programme, NWSSP are in the process of developing a health and wellbeing action plan, aiming to improve the wellbeing of workforce and to shape a culture and environment that supports a healthy level of physical and mental health. In order to continue striving towards a World Class service, we must ensure a resilient workforce, capable of withstanding organisational changes and demanding pressures.

We want to make the following achievements;

- Maintenance of a safe and healthy working environment
- Reductions in longer term sickness absence by supporting staff to attend work in a healthy capacity
- A workforce making healthier choices and managing their own health and well-being
- A well-being support network and resources available to all staff members
- Promotion and maintenance of the mental, physical and social well-being of employees

This will be achieved through the following interventions:

- The development of an organisation-wide Health & Wellbeing group to engage staff in addressing the health and wellbeing priorities of the organisation.
- Provision of workshops designed to help staff manage their own mental wellbeing, to include:
  - Personal Resilience
  - Stress Awareness
  - Mindfulness
- Promotion of the Our Wellbeing Matters and Manager Wellbeing Matters tools.

Digital Workforce solutions

The utilisation of ESR is well-embedded in NWSSP, with ESR and e-forms replacing paper based processes and digitising transactions.

A number of developments have been achieved, including:

- Full portal deployment across NWSSP
- Withdrawal of paper payslips
- Utilisation of ESR through mobile technologies
- Migration of all e learning into ESR
- Utilisation of employee relations technology
- Full utilisation of Self service in line with the minimum standards agreed (personal changes, appraisal dates, accessing e-learning, booking training, accessing payslips, managing absence etc)
- Establishment of an all Wales ESR Support Hub to provide ESR support to NWSSP employees (and 10 other NHS Wales organisations)

There will be an ongoing and continued focus on the development and further utilisation of a wide portfolio of e workforce solutions, including:

- Establishment of an ESR Project board/project plan to ensure full deployment of ESR functionality from hire to retire
- Full utilisation of ESR to underpin appraisal, pay progression and succession planning across NWSSP
- Better use of ESR business Intelligence reporting technology to support and manage people and services
- Procurement of bank management software
- Streamlining expenses and study leave e systems for GPSTRs

Further opportunities

A number of 'national workforce related services' are currently very successfully provided by the NWSSP wider workforce team. These include:

- E workforce solutions, including ESR Enhance, Hire to Retire Programme and Technology Enabled Learning
- Lead Employer for GPSTRs, GP returner and inductees, the GP Incentive Scheme and the national marketing campaign Single Point of Contact (SPOC)

There are potential opportunities to expand further national workforce related services, which, subject to agreement could include:

- National/Regional Bank management
- Lead Employer for a wider range of junior doctors
- GP locum management
- Job Evaluation collaboration
- All Wales HR helpdesk
- Job Evaluation collaboration
- All Wales Job Description Translation Service
- Operational workforce support to Primary Care Services

Our finances

The financial plan sets out our financial strategy, which enables the delivery of the service development strategy outlined in this plan. Together with NHS Wales, **NWSSP is facing significant challenges** to enable major service changes to be **delivered within our financial resources to** ensure high quality services are provided. We have a key role to play to enable NHS Wales to deliver their required changes **and the financial plan aims to reflect this.**

The financial plan is balanced over the three year period and will continue to provide a revenue distribution to NHS Wales of £0.750m per year and deliver **significant professional influence benefits.**

To ensure the achievement of our plan and enable the changes required in the delivery of our services, we will need to:

- Identify savings to cover increased demand for our services, absorb cost pressures and make service investments.
- Adopt allocative efficiency principles and transfer funding between our services to help us meet NHS Wales's priorities and demands.
- Develop a reinvestment reserve to invest in service modernisation technology to provide more cost effective and higher quality services.
- Work in partnership with our stakeholders to deliver change and modernise services.
- Utilise benchmarking techniques to **make further efficiencies.**

- Manage clinical negligence claims and implement a more sophisticated risk sharing agreement and mechanism to spread best practice and lessons learned.
- **Receive sufficient capital funding to** enable service modernisation and deliver revenue savings.

Finance supports and enables change through the management and control of budgets within three key areas:

- NWSSP Core Services
- All Wales Risk Pool
- Capital

NWSSP revenue budgets

2018/19 has seen a number of developments and changes to Services provided within NWSSP including:

- The transfer of our Workforce Education and Development Services (WEDS) function to Health Education & Improvement Wales (HEIW) from 1st October 2018 together with the management of the Non-Medical Education Training budget.
- The provision of a large support role to the new HEIW Organisation from a number of NWSSP services to manage and support the establishment and set-up arrangements of the new Special Health Authority.
- The transfer of the management of the All Wales Oracle consortium recharge mechanism from ABMU.
- The transfer of the management of the Putting Things Right Redress funding within the Welsh Risk Pool.
- Commencement of the Transforming Access to Medicines (TRAMS) and All Wales catering and laundry projects.

Finance has once again enabled significant change within NWSSP during 2018/19 through the planned reinvestment of funds within Service priority areas to provide greater capacity to support and enable the delivery of change across NHS Wales.

Looking ahead, 2019/20 will see the implementation of the GP indemnity scheme, for which NWSSP is the preferred provider and the planned expansion of a number of hire to retire services into primary care. It will also see the operation of the initial phase of the All Wales Bank project as a result of the Bridgend Boundary change from April 2019 with the potential expansion across NHS Wales in future years. Further exploration of areas to extend NWSSP services will also continue, with the potential provision of single lead employer services to Dental Foundation Trainees and the scoping of work to support the medical examiner programme.

The table below summarises the revenue income available to NWSSP to enable the changes required to support Service delivery plans:

NWSSP Revenue Position	2019/20 £m	2020/21 £m	2021/22 £m
WG ALLOCATION			
NWSSP Core Services	61.111	64.384	66.705
Welsh Risk Pool Service core allocation	75.000	75.000	75.000
TOTAL ALLOCATION	136.111	139.384	141.705
Other Core invoiced income	116.645	120.719	125.896
Welsh Risk Pool - PIDR Funding (HM Treasury)	31.500	32.800	33.400
Welsh Risk Pool Service - risk sharing agreement income	3.700	6.900	8.700
TOTAL INCOME	287.956	299.803	309.701

NWSSP core services

This area incorporates the income and expenditure budgets associated with the running of the main services we provide. An element of this income is received through our top-slice funding agreement with Welsh Government, with the remainder generated through invoicing which is detailed in the table below.

Core Services Income	2018/19 £m	2019/20 £m	2020/21 £m
WG Allocation	61.111	64.384	66.705
Invoiced Income			
Health Courier Service	4.808	4.808	4.808
GP Trainees - Single Lead Employer	26.867	26.867	26.867
Stores issues	35.000	35.000	35.000
Relocation expenses	0.960	0.960	0.960
ESR 2	2.150	2.208	2.026
Depreciation	2.220	2.550	2.709
SMTL	0.450	0.450	0.450
WIBSS	2.003	2.003	2.003
Non Medical Bursaries	25.364	25.850	25.850
Legal & Risk Income Generation	2.079	2.079	2.079
Oracle Managed Service Consortium	2.147	2.147	2.147
GP Indemnity - future liability	1.200	4.400	9.600
Redress	1.259	1.259	1.259
Pharmacy Rebate Scheme	6.000	6.000	6.000
Other income	4.138	4.138	4.138
Total invoiced income	116.645	120.719	125.896
TOTAL CORE SERVICES INCOME	177.756	185.103	192.601
Expenditure			
NWSSP Expenditure	142.006	149.353	156.851
Stores Purchases	35.000	35.000	35.000
Total Expenditure	177.006	184.353	191.851
Expected cash distribution	0.750	0.750	0.750

The Welsh Government allocation has been taken from the 2019/20 Health Board Revenue Allocation (Table 3 – Shared Services Funding top-slice) issued in December 2018. The allocation includes a core uplift in respect of 2019/20 pay and prices funding plus funding for the additional pay award.

Recurrent funding has been assumed for the 2020/21 pay award per communications received and an assumption of funding for a 2% pay award for 2021/22 has also been included. Recurrent funding has also been assumed to cover the increased costs resulting from the potential increase in superannuation from 2019/20 (£2.734m).

The summary income and expenditure table indicates we will generate a surplus in each of the 3 years and enable a cash distribution to be made to Welsh Government and NHS Wales. The expected cash distribution will be repatriated to individual NHS bodies in line with the allocation contribution formula, unless organisations have already agreed a recurrent reinvestment of any savings within NWSSP. The table below indicates **the distribution percentages and identifies** where funds will be retained within NWSSP as agreed by LHBs/Trusts.

Health Board /Trust	%	Planned Distribution £	Agreed Reinvestment £	Total Cash Distribution £
Aneurin Bevan	9.85	73,844		73,844
ABMU	12.43	93,251		93,251
BCU	11.98	89,815	(89,815)	0
Cardiff and Vale	10.49	78,652		78,652
Cwm Taf	6.97	52,305		52,305
Hywel Dda	7.77	58,293	(58,293)	0
Powys	1.95	14,598	(14,598)	0
Velindre	1.17	8,781		8,781
WAST	1.28	9,580	(9,580)	0
Public Health Wales	0.87	6,530	(6,530)	0
Welsh Government	35.25	264,351	(264,351)	0
TOTAL	100	750,000	(443,167)	306,833

In setting budgets for 2019/20-2021/22 we will absorb a number of recurrent cost pressures in relation to cost growth, demand/service growth and local cost pressures **as identified in our delivery plans and detailed in Table C5. These are summarised in** the table below, together with a summary of how these will be funded:

	2019/20 £m	2020/21 £m	2021/22 £m
Inflationary/Cost Growth	2.934		
Demand/Service Growth Core	5.694	7.086	8.700
Local Cost Pressures	1.327	0.130	
TOTAL PRESSURES	9.955	7.216	8.700
Funded by:			
Savings Plans – identified	1.002		
Savings Plans – to be identified	1.103	0.130	
Accountancy gains	0.052		
Income Generation	4.355	6.900	8.700
WG funding/allocation	3.443	0.186	
UNFUNDED PRESSURES	0.000	0.000	0.000

The WG funding included primarily relates to the increased superannuation costs forecast from the potential increase in **the discount rate together with specific** schemes being undertaken upon the request of Welsh Government including Primary Care Hire to Retire services, Strategic pay modelling and the expansion **of the certificate of sponsorship role.**

Work continues to identify further savings schemes to meet the pressures included **with the aim of reducing unidentified** savings to zero by the start of the 2019/20 **financial year.**

If savings schemes and/or income **generation schemes cannot be identified,** mitigating actions will be undertaken to not proceed with a number of the initiatives/ **projects. Saving schemes identified to** date are in the main attributable to pay savings from the review of posts as we **refine structures and some smaller non-** pay savings resulting from a review of budgets.

All Wales Risk Pool (WRPS)

WRPS accounts for its share of the liabilities (i.e. amounts over £25,000). Long-term liabilities include provision in respect of ongoing matters and the estimate of future costs associated with settling claims using a periodical payment order (PPO). PPOs are used for large value claims which include large elements of **care. Historically a significant lump sum** would be paid and be invested by the claimant to enable care to be purchased. Since 2008 periodical payments have become common place for large value claims, with the payment of a smaller lump sum and annual payments to cover care costs. The care package annual sums agreed at settlement have increased **significantly and annual amounts in** excess of £100,000 are not uncommon.

Welsh Risk Pool expenditure

The settlement of a claim by a Health Board or Trust or the payment of a PPO by WRPS uses in-year resource from the Departmental Expenditure Limit budget for NHS Wales. This budget also funds NHS Wales and therefore any WRPS expenditure re-directs funds from patient care.

WRPS receives a base annual allocation of £75m, with the service bearing the risk of any deviations from the estimate. A new robust risk sharing agreement aligning clinical risk management with **the financial regime has been agreed and** implemented.

In February 2017, the Lord Chancellor announced a change in the Personal Injury Discount rate (PIDR) from 2.5% to – 0.75% with effect from March 2017. **The PIDR change has had a significant** effect and the projected 2018/19 forecast outturn increased to £105 million.

Accordingly the WRP core budget, plus PIDR impact cover amounting to £105m **is forecast to be sufficient to cover the** assessed maximum liability of £105m in 2017/18. On this basis, WRPS will not invoke the risk sharing mechanism in 2017/18.

2017/18 also highlighted a slight downward trend in the total number of open clinical negligence claims with a reduction from 2,210 in in 15/16 to 2,048 in 17/18. However, the value of provisions has increased due to increasing average claim values. This is mainly due to the change in the PIDR. For example, in relation to high value cases (above £1m), the average cost has increased from £4.7m in 1516 to £6.1m in 17/18.

Total liabilities which incorporates the provisions above plus contingent and remote liabilities totalled £1.9bn at the **end of the 2017/18 financial year.**

The WAO only made one recommendation in their report, which was to expand on the note within the accounts on the level of detail provided in relation to the provisions disclosure. This has been addressed in collaboration with the Welsh Government and the NHS Wales Finance Technical Accounting Group (TAG).

Estimated resource requirement for 2019 to 2022

As part of the three-year planning framework, resource modelling over the **forthcoming three financial years has been** undertaken. However, the complexity and uncertainty of the underlying liabilities has long been recognised and this is increased as the timeframe extends.

The graph below shows that the number of cases has reduced since 2014/15 but the value of the liability has increased, mainly due to the PIDR impact on the future losses element of lump sums within the damages quantum.

However, the work required on the open cases has increased as those new matters from several years ago become highly active in litigation, both following issue of Court proceedings or involving complex investigations or negotiation. As such, the average value of damages and costs are rising.

Risks to achieving a balanced year end position are,

- Claimant Solicitor behaviour
- Timing of settlements for high value individual claims
- Core growth vs PIDR impact as each are funded via separate funding streams
- The uncertainty of the timing and cost impact of the change to the PIDR rate.

However, processes are in place to manage and mitigate these issues and it is anticipated that a balanced position will be achieved. Therefore it is very unlikely that the Risk Sharing Agreement will be invoked in 2018/19.

graph to come

The graph above shows the movement in the number of cases since 2011/12

THREE YEAR FORECAST

The table below identifies the forecast position for annual expenditure for the period 2019-2022. The cost of clinical negligence is expected to rise in each of **the next three financial years. Most of** the additional cost relates to the change in the PIDR and NWSSP are working closely with Welsh Government to ensure this element is funded by HM Treasury. However, part of the increase relates to core claims growth and this could represent a pressure on the Service and it could lead to the Risk Sharing Agreement being invoked.

Forecasting when claims will settle and for what value changes frequently as claims mature and more evidence becomes available. This forecast will therefore **change and will be updated to reflect both** claim movements (in timings and values) and for any adjustment to the PIDR or other HM Treasury discount rates.

	19/20	20/21	21/22
3 Year Forecast £m	£110.21	£114.67m	£117.14m
Before PIDR impact	£78.72m	£81.91m	£83.67m
Element Relating to PIDR impact	£31.49m	£32.76m	£33.47m
Core Claims Growth	£3.72m	£6.91m	£8.67m

Further change to the PIDR is anticipated - potentially prior to the end of 2018/19 – due to legislation being proposed by Ministry of Justice. This could materially affect the level of expenditure on cases settled for a proportion of the year. Therefore, it is too early for Treasury to agree to a budgetary adjustment for future years.

Any change relating to PIDR is expected to be covered (although the amount cannot **be quantified at this stage) but consistent** with prior years budgetary management neither Treasury nor WG will cover any movement above the £75m that does not relate to PIDR change (i.e. relating to general growth in claims costs).

The split between Health Boards based on the current Risk Sharing Agreement are **shown below. The rates may change slightly for the 2019/20 financial year and these** will be calculated in January 2019. The rates below do not **reflect the impact of the** Bridgend Boundary Change.

	1819 RSA	2019 -2020	2020 -2021	2021 -2022
Aneurin Bevan University Health Board	17.35%	645,520	1,199,071	1,504,478
Abertawe Bro Morgannwg University Health Board	16.37%	609,022	1,131,274	1,419,414
Betsi Cadwaladr University Health Board	18.37%	683,513	1,269,644	1,593,026
Cardiff & Vale University Health Board	16.38%	609,320	1,131,829	1,420,110
Cwm Taf University Health Board	10.84%	403,075	748,722	939,424
Hywel Dda University Health Board	9.85%	366,515	680,812	854,217
Powys Teaching Health Board	6.51%	242,052	449,619	564,138
Public Health Wales	1.26%	46,709	86,763	108,861
Velindre NHS Trust	1.10%	40,737	75,669	94,943
Welsh Ambulance Service NHS Trust (WAST)	1.98%	73,537	136,598	171,390
TOTAL	100.00%	3,720,000	6,910,000	8,670,000

Asset and Capital expenditure plan

Context

When we were established as a hosted **organisation in June 2012 a review of fixed** assets was conducted. Our review of our **initial assets identified that:**

- The IT assets inherited were in many cases old and beyond their economic life. (A survey undertaken **by NWIS identified the need to** replace two thirds of the PCs and laptops).
- Stores buildings need considerable work to bring them to a modern operational standard.
- No capital funding and limited depreciation budget had been transferred.

A capital plan was developed with the following aims:

- To upgrade IT capability including **significant PC and Laptop** replacement as well as upgrade of a number of aging servers.
- To modernise key processes across the services provided by **NWSSP by using specific software** applications.
- To support the implementation of the accommodation strategy with the intent to consolidate services in 3 regional centres.

In recent years we have, with Welsh **Government support, made a significant** investment to achieve those aims. The **benefits of this have included a significant** reduction in the number of sites and enabled us to bring together a number of disparate teams to concentrate its operations from three main regional centres. Whilst this has already produced **some efficiency, the reduced number of sites now provides a firm foundation for** us to modernise and enhance a number of key services with relatively modest capital investment.

In addition, we have taken on a number of additional services including the transfer of Health Courier Services and more recently SMTL. Both services required **significant investment to modernise the** service.

Current capital position

In 2018/9 discretionary funding is £600k, additional funding has also been secured through applications for additional **funding for specific schemes. This relates** to vehicle replacement for the Health Courier Service £1,066k and Funding related to the establishment of Health Education and Improvement Wales (HEIW) £1,900k. The HEIW expenditure transferred to that organisation following its formal establishment. The utilisation of this funding is shown in the following table:

Future Expenditure Programme

We have identified that further spend will be required to develop the organisation **further to deliver quality and efficiency benefits. In assessing our future capital need, we have identified five main areas** of capital spend. The position and need in each area is outline below.

Accommodation – In recent years we have implemented an accommodation **strategy which has resulted in a significant** site consolidation. Funding is needed in **future years for modifications to current** sites as part of service development plans. An on-going annual cost of £110k is forecast for this area of spend.

Service support equipment – This relates mainly to the supply chain and processing areas. Due to the age of larger items of equipment, it is anticipated that annual spend of £200k will also be required on an annual basis. This includes replacement stores scanners and handling equipment. This equipment is need to maintain service continuity.

IT infrastructure - This is a major area of spend for us, both in replacing **aging equipment and enabling efficiency improvement. Assessment identifies a** need for circa £550k per year. This is split between £325k on end user equipment and £225k on Network related assets This spend is key to support the changes outlined in the service improvement programmes contained within this plan.

Area of Spend	Discretionary Funding	Additional Funding
	£000	£000
IT Hardware	334	
IT Software	64	
Vehicle Replacement	-	1,066
Equipment Replacement	122	
Accommodation	80	1,900
Total Spend	600	2,966

IT Software Solutions – We have looked to procure software to enable **efficiency improvement. Spend in this** area includes digital dictation software, and application development to support service improvement. The current forecast **identifies that there is an annual on-going** need for investment of circa £140k per year in new software developments to support service change and development. This spend is key to support the changes outlined in the service improvement programmes contained within this plan.

Vehicle replacement - In addition to the discretionary funding requirement, we will continue to require funding for the Health Courier Service Vehicles. The cost of the vehicle replacement programme **is significant and is shown in the table** overleaf.

The investment outlined above will not only ensure business continuity for the services that we provide to NHS Wales but will also enable delivery of a number of key saving schemes outlined within **this plan. The benefits of these schemes** will in part be reinvested in the services and the balance will be returned to health bodies and the Welsh Government.

A number of service development projects which will require additional capital **funding have been identified. These are** major investments which are not covered by the discretionary capital allocation. These investments are important in delivering the service transformation outlined in this plan. There are some **significant investment plans still under** development which are not at this point included in the plan whilst further scoping **and quantification work is undertaken.** The main schemes within the plan are outlined in the following table:

Scheme Type	2019/20 Spend	2020/21 Spend	2021/22 Spend
	£000	£000	£000
Employment Services Electronic Platforms	187	190	150
Patient Medical Records Storage System	490		
Document Management and OCR	155	300	
Legal Case Management System	520	120	60
Bridgend Store Roof Replacement HCS	327		
Contractor Payments System (NHAIS Replacement) Hardware	1,000		
Procurement Services Automation	299		
Audit and Assurance Improvement Programme	50	50	
Total Development Projects	3,028	660	210

Funding Summary

A number of discussions are being held with Welsh Government in respect of the discretionary capital requirement. The future funding required during the plan period is as follows:

Scheme Type	2019/20 Spend £000	2020/21 Spend £000	2021/22 Spend £000
Discretionary – IT Software	140	140	140
Discretionary – IT Hardware	550	550	550
Discretionary - Accommodation	110	110	110
Discretionary – Support Equipment	200	200	200
Discretionary Funding Total	1,000	1,000	1,000
HCS Vehicle Funding	172	156	372
Service Development Projects	3,028	660	210
Total Forecast Capital Needs	4,200	1,816	1,582

Capital investment is a key enabler for **the delivery of improved efficiency and** service improvement. All capital schemes **will deliver revenue benefits in terms of** cash releasing savings, cost avoidance, improved quality or health and safety developments. Review of annual spend requirements indicates that our on-going discretionary capital need is circa £1m per annum.

The current base level allocation of £600k has been in place for 12 months but service development and increasing automation require a further increase to support service development and modernisation. An increase in discretionary capital funding **is essential to deliver the full benefits** that arise from the changes proposed in this IMTP. Without this funding, capital schemes would need to be scaled down and prioritised based on the level of **benefits that they could be deliver.**

We will continue to produce business **cases for large specific projects as well** as continuing to review the potential alternative sources of funding, for example Invest to Save. These management actions would mitigate but not remove the impact of increased capital funding not being available.

It should be noted that we have limited funding for depreciation and that revenue funding would need to be provided for this spend. It is anticipated that the revenue effective of the above programme would be for a full year:

	Full Year Programme Impact £ 000	Cumulative Impact £ 000
Year 1	780	780
Year 2	343	1,123
Year 3	284	1,407

ICT

The Business Systems and Informatics (BS&I) department was established in 2014. The baseline position was we had ICT services provided by 10 organisations and did not have a centralised ICT team. ICT support was provided by staff based within services and providers in other NHS Wales organisations. A review concluded that we needed to put in place a coordinated team to centralise Information and Communications Technology (ICT) support and implement a more strategic focused approach.

Since establishment the BS&I team has:

- Set up a core team and processes.
- ICT Strategy developed following detailed consultation.
- Implemented an Initial Desktop and Laptop replacement. programme which is now complete
- Developed a working partnership with NWIS and reduced the number of organisations supporting our staff.
- Established an ICT Project Management Capability.
- Produced a Strategic Outline Programme Case for ICT for the next 5 years.

Our Capital Programme is based on an overall Capital Plan which is reviewed on an annual basis with input from all services; sign off at senior **management level and final approval** by the Shared Services Partnership Committee. This ensures that capital plans remain relevant and maximise **benefits to the organisation.**

Development of ICT during the next 3 years

The ICT strategy is to support a move to data-driven systems and processes. During the development of the strategy, **four themes were identified and these** are outlined below.

Partnership – We work in partnership with NWIS as a key strategic partner with continued collaboration with Health Boards and Trusts. IT support consolidation has resulted in the reduction of providers from nine to six.

Migration of our users to NWIS desktop support will continue during 2019/20, with the intention to reduce the number of IT support providers by a further three. We are also working on ways to develop and improve our partnership, which will improve services for end users and aid faster implementation **of improvement projects. The first** element of a Single Point of Contact (SPOC) support model has been rolled out in 2018 and this will be completed in 2019/20. SPOC will improve the speed of call resolution.

Business Continuity –
National Programme funding was provided in 2016/17 to enable the implementation of a modern and resilient infrastructure including telephony. Systems migration onto this infrastructure is continuing. The new infrastructure is robust and scalable to enable necessary expansion as existing infrastructure.

This change has already resulted in improved resilience and disaster recovery as the new servers are mirrored and backed up to a secondary remote location. Our new infrastructure has helped consolidate and rationalise the server estate.

Security - With growing cyber security threats, corporate information and systems are increasingly under risk of attack and theft. To attain an effective position, we have been putting in place better detection, prevention and monitoring solutions e.g. security incident and event management system (SIEM). This work is being progressed as part of the ICT work plan over the next 12 months. A cyber plan has been developed and will be **reviewed regularly to reflect best practice** and continuous improvement.

We completed a cyber-threat assessment and following this work undertook the development of an action plan to improve its readiness to respond to Cyber threats and to improve resilience. Lessons from recent global cyber incidents has further emphasised the importance of having robust security measures in place.

We are working in partnership with NWIS to provide the monitoring and management system needed to actualise elements of the plan. NWIS intends to make the SIEM system available on all-Wales basis after the pilot with us.

Service Development - To meet IMTP objectives around service quality and **efficiency IT service development is** critical. The BS&I department and NWIS will continue to implement ICT solutions to support service improvements. This will include the further roll out of Robotic Process Automation (RPA) and a modern telecommunications system to enable **more flexible and resilient working** arrangements.

Governance and Risk Management

Oversight of the NWSSP ICT strategy is undertaken by the ICT Steering Group which has representatives from all NWSSP functions and acts as a key communications link and provides appropriate scrutiny. The Steering Group is responsible to the NWSSP SMT for ensuring that the ICT Strategy continues to develop and meet the needs of the organisation.

The group also monitors and reviews the ICT risk register and escalates and delegates as appropriate to ensure that risks are managed / mitigated.

Research, development and innovation

Innovation is encouraged throughout the organisation and is one of our four values. We encourage all staff and divisions to consider how they innovate their services **to drive efficiencies and improve the** quality of services delivered to customers and partners. An example of this is how we use robotics for process automation (RPA). We are working in a number of areas across the organisation. RPA principles is about using suitable tools that can replicate and automate repeatable human tasks performed on systems to assist freeing staff to undertake more value added duties.

We have created an RPA team to lead on robotic developments using a standard methodology across the organisation. This is supported by dedicated training to ensure the skills and knowledge required are embedded. This will not only improve **process efficiency but provide evidence** for customers and partners, showing it improves process quality as well leading to improved customer satisfaction.

Innovation through the use of technology and automation is a central strategic theme to many of our divisions. Over the next three years further advancements will be made in these areas, with Primary Care Services continuing to roll out Electronic Transfer of Claims and Patient Medical Records store and scan on demand programme. Employment services will build on the success of the electronic New Appointment Form. This form is integrated into the Recruitment process and provides an improved user experience for hiring managers, new members of staff and to the Payroll Teams who enrol on average 900 new appointees a month across NHS Wales.

Innovation through technology will continue to play a vital role in the delivery of services over the next three years. As part of the work to review how our services interact with our customers and support them through helpdesks, we will explore **the use of artificial intelligence and the** use of 'chatbots' where appropriate. Paperless online communication is a consistent theme through our delivery plans. Divisions such as Student Awards Services decommissioned their paper based bursary system, with all sources being directed to the online system. Legal and Risk services operate solely within **an electronic virtual cabinet, significantly** reducing their use of paper across the division and will expand this with case management software. e-Workforce Solutions are committed by 2020 that 100% of workforce processes and transactions will be achieved through direct interaction with electronic solutions including ESR, interfaces and mobile enabled technology.

Research and development will play a key part in the successful implementation of the driving excellence projects we are taking forward with the Finance Academy—Purchase to Pay, Hire to Retire and Record to Report.

We are also developing our relationships with local universities who can support us with our research.

Governance

Our planning model

We ensure that planning is a continuous and embedded process that allows learning from past experiences and embeds risk management principles to look to the future. Although the IMTP is a three year rolling plan, many of our divisions have **an influence on NWSSP and NHS Wales** beyond three years. The procurement team are looking at innovative ways of contracting goods and services where the impact of a decision is far further in the future.
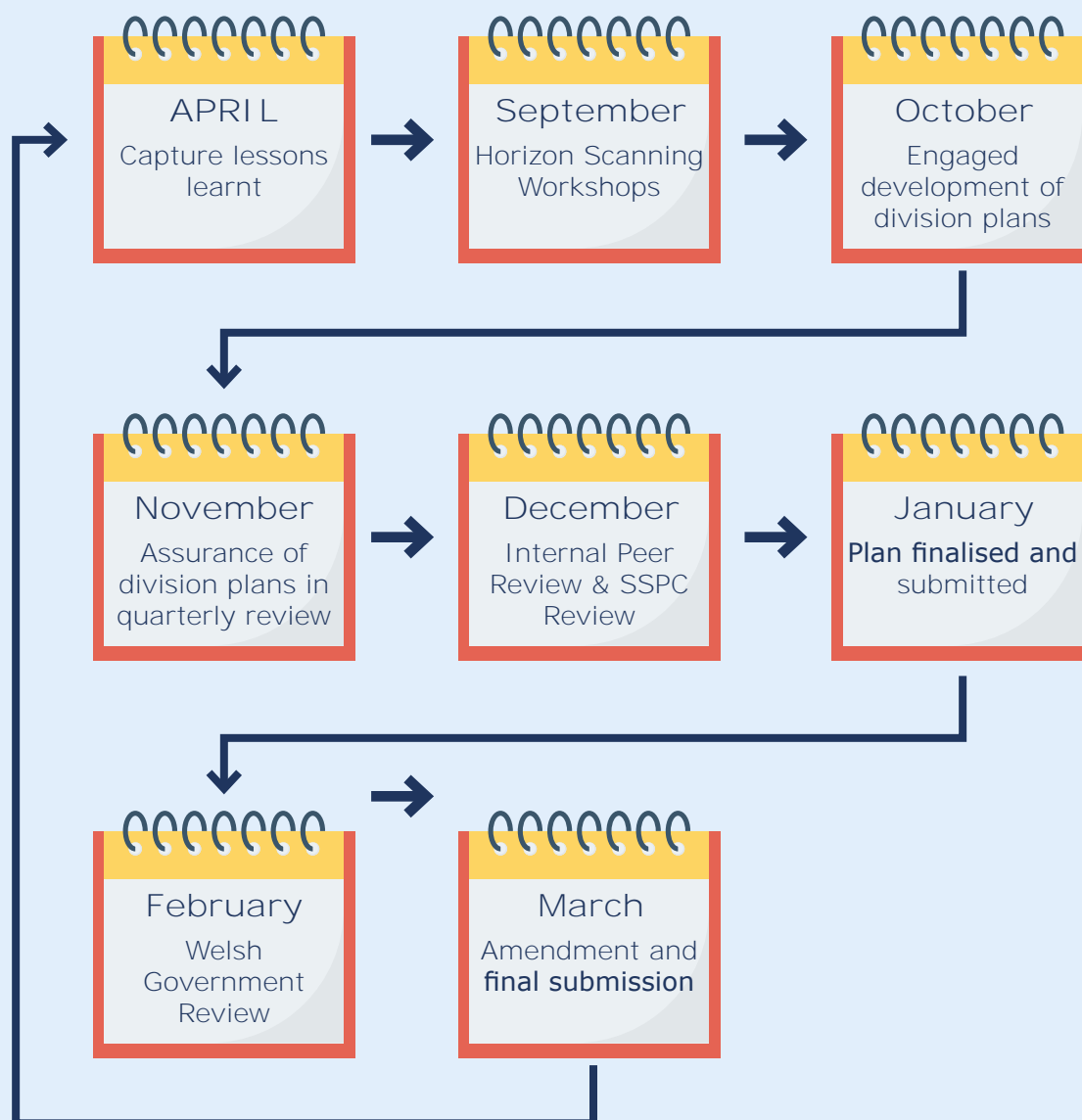

REVIEW — PLAN — ENABLERS — DO
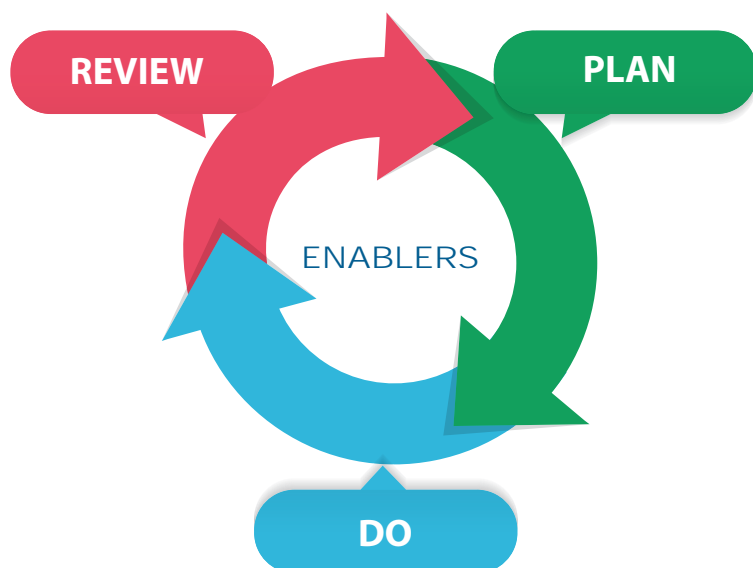
NWSSP operate an integrated planning system which is dynamic and engaging, grounded in quality information and successfully balancing ambition with realism. To achieve this we have strengthened our planning model this year through the following arrangements:

- Evaluating and reviewing our previous year's plans and planning process. We have IMTP Lessons Learned workshops held across the organisation.

- NWSSP strategy map reviewed and updated through the SMT horizon scanning and planning day.
- Shared Services Partnership Committee involved in development of key themes and drivers.
- Planning guidance issued to SMT and divisional planning leads outlining; national drivers, Welsh Government requirements and NWSSP key planning assumptions
- **Each division allocated a finance,** ICT and workforce IMTP link to support planning process
- All divisions present their draft delivery plan at a review meeting which is attended by the Managing Director, Director of Finance and Corporate Services, the Director of Workforce and Organisational Development, Head of Planning and the enabling function leads (ICT, Finance and Corporate Service, Workforce and OD).
- Formal and informal meetings with Welsh Government colleagues.
- NWSSP held a peer review to review quality and assurance prior to the document being submitted to Welsh Government. Virtual feedback was received from Health Boards and Trust, and the **Office of the Future Generations** Commissioner was in attendance.

Our plan is formally reviewed and updated annually, and the Shared Services Partnership Committee (SSPC) review and approve the plan prior to submission to Welsh Government.

Conversations between services and our customers/
Health Boards – sharing of planning intentions

APRIL
Capture lessons learnt

September
Horizon Scanning Workshops

October
Engaged development of division plans

November
Assurance of division plans in quarterly review

December
Internal Peer Review & SSPC Review

January
Plan finalised and submitted

February
Welsh Government Review

March
Amendment and **final submission**

Co-production and delivery

The development of our plan is supported by a structured formal and informal partner engagement process led by our SMT, predicated on frequent, open and honest dialogue which ensures that effective working relationships are maintained and developed.

SMT and the Shared Services Partnership Committee monitor performance and progress against our overall on a regular basis.

We also use a number of other mechanisms to determine whether we are delivering our plan's objectives. Our detailed performance reports demonstrate whether we are achieving targets against KPIs, and these are also systematically reported to health organisations regularly and to the Shared Services Partnership Committee. We also use our formal and informal engagement processes at a number of levels to gain feedback on our plan delivery and discuss actions we can take to ensure our objectives re achieved.

Progress against individual service delivery plans is monitored within each service area and is reported and reviewed through a formal performance review meeting by the Managing Director, Director of Finance and Corporate Services and Director of Workforce and Organisational Development with each Divisions Service Management Team on a quarterly basis.

In tandem with the business intelligence and learning obtained from our internal planning model, we have also developed a quarterly review process with Health Boards and Trusts. These are the mechanism for regular and effective consultation and engagement to ensure our individual service areas are meetings their wants and needs. Each quarter now **has a specific focus and progress against** the delivery plans is scrutinised at the most senior level.

Risk management

The risk management framework and approach has been subject to detailed revision and review by a risk management specialist, building on the recommendations of Internal Audit report. The changes are intended to make the approach more effective and dynamic, and the format of the corporate and division risk registers have been revised to ensure that they are both consistent and that they provide a more concise picture of the current position with each risk. The Finance and Corporate Services Division work with Directors and their Senior Management Teams to ensure that the risks recorded within each register remains up-to-date and that there is focus on achievement of planned actions to mitigate the risk. This is reinforced through the quarterly review process of each division, where review of the division risk register is a standing agenda item.

Our Risk Management Protocol has been **updated to reflect the new arrangements,** and we have also documented a Risk Appetite Statement. Both documents have been subject to review and approval at Senior Management Team, Audit Committee and/or Shared Service Partnership Committee.

Assurance maps that provide a view on how key divisional operational or business-as-usual risks are mitigated have been updated and reviewed by the Audit Committee. They are now being regularly assessed as part of the quarterly review process. New maps have recently been produced for the Welsh Infected Blood Support Scheme, and a corporate assurance map was also documented for **NWSSP, linked to the five strategic goals.** This latter document is provided below as an example of the approach, and will continue to be developed over the rest of 2018/19.

Accountability

As Accountable Officer, the Managing Director has responsibility for maintaining a sound system of internal control that supports the achievement of NWSSP and our hosts - Velindre NHS Trust's - policies, aims and objectives. The Managing Director safeguards the public funds and departmental assets for which he is personally responsible, in accordance with the responsibilities assigned to him. The Managing Director is also responsible for ensuring that NWSSP is administered prudently and economically and that **resources are applied efficiently and** effectively. For further information, please view our Annual Governance Statement 2017-2018.

Effective governance is paramount to the successful and safe operation of NWSSP's services. This is achieved through a combination of "hard governance" systems and processes including standing orders, policies, protocols and processes; and "soft governance" involving effective leadership and ethical behaviour (Nolan principles).

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

The SMT are responsible for determining NWSSP policy, setting the strategic direction and aims of NWSSP to ensure that there are effective systems of internal control and that high standards of governance and behaviour are maintained. In addition, the SMT are responsible for making sure that NWSSP is responsive to the needs of NHS Wales.

Health and Safety

We have a duty of care towards approximately 2,000 employees located in various locations across Wales and a legal duty to put in place suitable arrangements to manage for health and safety. We encourage a common sense and practical approach to managing for health and safety. We view health and safety as part of the everyday process and it is an integral part of workplace behaviours and attitudes.

We aim to prevent or reduce the number of accidents and incidents to a minimum. All accidents and incidents are monitored and necessary control measures are put into place to prevent recurrence. We have set up a sub-site of the Velindre NHS Trust, Datix Management System (DATIXWEB), to record all incidents that occur within NWSSP. This has shaped our seven health and safety objectives and the associated action plan we implement over a two year period.

1. 1Aim to reduce work related slips, trips and falls in the workplace, aspiring to a 10% reduction over 2 years.
2. Aim to reduce work related contact-with-an-object incidents in the workplace, aspiring to a 10% reduction over 2 years.
3. Aim to reduce work related manual handling incidents in the workplace, aspiring to a 10% reduction over 2 years.
4. Develop and enhance the health & safety and risk management knowledge and skills of managers and supervisors throughout NWSSP.
5. Continually improve the health and safety culture within NWSSP.
6. Regularly monitor and evaluate the health and safety performance throughout NWSSP.

7. Promote a zero tolerance culture in relation to violence and aggression incidents across NWSSP, aspiring to improve incident reporting and investigations and reduce the number of incidents by 30% over two years.

We have adopted the Health and Safety Executives (HSE) 'Managing for Health and Safety' (HSG65) Framework to effectively manage health and safety in accordance with the relevant legislation. The model is structured into a Plan, Do, Check, Act approach with each phase contributing to the next and a circular process ensuring a consistent approach is taken. The Health and Safety Manager maintains an annual schedule of audits across NWSSP sites. This approach treats health and safety management as an integral part of good management, generally rather than a stand-alone system. To provide a straight forward measure of where gaps in achievement exist against the HSG65 model throughout NWSSP sites, a report is provided to consider all the features of **the model and identifies where there is** achievement or shortfalls in the health and safety management system.

We promote a positive Health and Safety culture through regular training, communication and awareness raising. We have established an effective means of communication and consultation with staff through a Health and Safety Committee structure. A regular health **and safety specific newsletters and articles** are issued via an internal magazine which demonstrates a proactive, positive approach to raising awareness of health and safety issues. We also have a dedicated intranet site on health and safety, which is regularly updated to maintain an accurate information repository for all staff.

Equality, diversity & inclusion

We are committed to eliminating discrimination, valuing diversity and promoting inclusion through equality of opportunity and fostering good relations throughout all that we do, working towards achieving a More Equal Wales. Our priority is to develop and nurture a culture that values the contribution each person can make towards the services we deliver for NHS Wales, regardless of background or socio-economic circumstances. We work in collaboration with our NHS Wales colleagues to facilitate workshops, events and training sessions, issue communications and articles on hot topics to further engage with staff and develop a healthy, diverse and thriving community culture.

As a non-statutory hosted organisation of Velindre University NHS Trust, we are required to adhere to the Trust's Equality and Diversity Policy, Strategic Equality Plan and Equality Objectives, which set out the Trust's commitment and compliance with legislative requirements. Personal data pertaining to protected characteristics is captured through our Electronic Staff Record (ESR) system, where staff are responsible for updating personal records through the self-service functionality, for equality monitoring purposes. Our All-Wales Recruitment Service, NHS Jobs, facilitates quality assurance checks for advert content and supporting documentation to ensure there are no discriminatory elements, or adverse impacts. We also benefit from a range of proactive work undertaken by the Trust to strengthen our compliance with legislation, including:

- Utilisation of the Positive About Disabled People 'Double Tick' symbol and Rainbow Mark, as sponsored by Welsh Government;

- Annual NHS Wales It Makes Sense Campaign for sensory loss, including British Sign Language e-learning package; and
- Gender Agenda Workshop Programme, integration with All-Wales LGBT+ People Network, World Food Pop-Up, Menopause Café and Show Your Rainbow campaign.

We have worked with NHS Wales Centre for Equality & Human Rights (CEHR) to develop our process for undertaking Equality Integrated Impact Assessments (EQIIA), which we are working to fully integrate into our Project Management Office and day-to-day business; our model considers the needs of protected characteristics identified under

- the Equality Act 2010 (including the Public Sector Equality Duty in Wales),
- Human Rights Act 1998,
- 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;

We have provided key individuals with training on the process, including Trade Union Representatives and we have introduced a panel to review and ensure policies, projects and service changes do not discriminate against any vulnerable or disadvantaged people. We also ensure compliance with the engagement provisions and duty for due regard of both the Gunning and Brown Principles when reviewing existing policies, or assessing new policies for impacts on protected characteristics. **Our Compliance Officer** chairs the NHS Wales Equality Leadership Group and is a member of the All Wales **Senior Officers Group for Equality, as** hosted by NHS Wales Centre for Equality and Human Rights (CEHR); and our Assistant Director of Workforce and Organisational Development is a member of the Trust's Equality Group.

As part of our commitment to training and development and equality, diversity and inclusion, we have developed the following.

- Introduction of Equality, Diversity and Inclusion session in our Corporate Induction, to include Equality Round-up communications to staff on topical developments;
- New starters are required to undertake the Treat Me Fairly e-learning module, promoting fairness, respect, equality, dignity and autonomy, as part of our statutory and mandatory training programme;
- E-learning modules form part of a national training package and the statistical information pertinent to completion rates contributes to the **overall figure for NHS Wales;**
- Refresher training and elective modules for Sensory Loss, Trans Awareness and Gypsy, Roma and Traveller Awareness; and

- We offer a Core Skills for Managers Training Programme **and the Managing Conflict module** includes an awareness session on the Dignity at Work Policy and Procedure.

Information governance

We take Information Governance (IG) very seriously and have effective arrangements to ensure that information **is handled in a confidential and secure** manner and that the right information is available to the right people, when and where it's needed. During 2018/19 we have responded to the requirements of the General Data Protection Regulation (GDPR) and updated our systems, policies and procedures. The Senior Management Team and the Information Governance Steering Group receive regular updates on compliance.

We will continue to maintain our standards through;

- Holding quarterly Information Governance Steering Group meetings comprising Information Asset Owners from each division. The group focuses on IG issues including GDPR, Data Protection, Freedom of Information, IG breaches, data quality, information security and records management.

- Regular internal audits of both information governance and GDPR – we were audited in early 2018 to assess our readiness for GDPR implementation and we will again be audited in early 2019 to assess whether we have effectively embedded the approach.
- Completing the annual Caldicott Principles into Practice (C-PIP) self-assessment. Compliance for the 2017/18 assessment was measured at 96%;
- Ensuring that, under openness and transparency, that Freedom of Information requests are handled in an effective and timely manner;
- Delivering face-to-face Information Governance training to staff and ensuring staff complete the information governance module contained within the online core skills training framework. Currently over 1,000 staff have been trained in a classroom based environment and over 90% are fully compliant in the eLearning module.

Welsh Language

We are committed to treating the English and Welsh language equally alongside the English language in everything that we do. As a non-statutory, hosted organisation we are required to adhere to the Velindre NHS Trust Welsh Language scheme and the provisions of the Welsh Language (Wales) Measure 2011.

We provide a wide range of support services for all members of staff at the NWSSP that include:

- Welsh Language Awareness Raising
- Welsh Language Training at Work
- Advice, guidance and support with regards to providing a fully bilingual service
- Ensuring that the Welsh Language is treated fairly and equally at all times
- Managing Compliance with the Welsh Language Act of 1993, the Welsh Language Measure of 2011
- Ensuring we meets its current requirements to offer a high quality service in both Welsh and English equally
- Achieving the KPI's within our existing Welsh Language Scheme
- Positioning ourselves to meet the requirements of the Welsh Language Standards [Health Sector] Regulations 2016
- Translation services for the NWSSP

All these functions support and influence each division in realising their Welsh language agendas and providing their services bilingually to our partners, stakeholders, staff and patients.

Our Welsh Language Strategy was launched in the autumn of 2018, following receipt of the Formal Compliance Notice for The Welsh Language Standards [No7.] Regulations 2018. Our Welsh Language strategy will focus closely on:

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

The aim of our Welsh Language Strategy is to improve our Welsh Language offer in how we conduct our every-day business and in supporting our customers and partners to increase Welsh language **compliance. Our five Key Strategic Areas** as outlined below will enhance the Welsh Language Offer for NHS bodies, especially in Strategic Areas 3 – 5.

Having a Welsh Language Strategy will in turn offer a better and improved service in Welsh for people who wish to receive our services in Welsh.
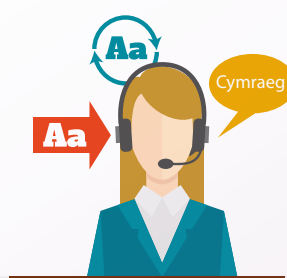
Strategic Area 1: Welsh Language Services and the workplace

Vision: High quality services are available in Welsh and English equaly and without delay.

Outcome: Increase in the use of Welsh language services across all NWSSP service delivery areas.
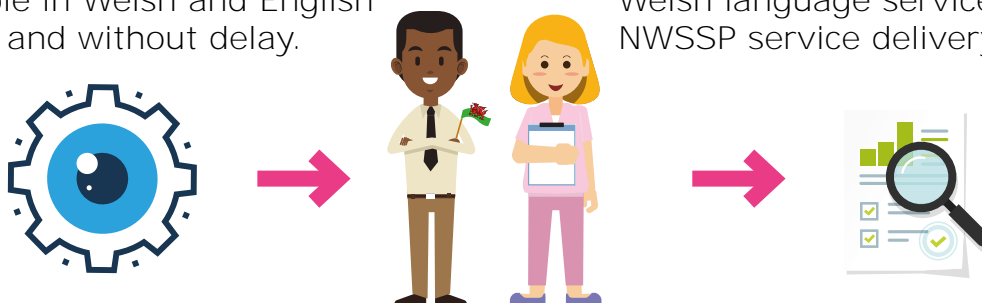
Strategic Area 2: The Welsh Language Prominent in our Corporate Identity

Vision: All websites, publications, communications, and corporate branding resources available in Welsh.

Outcome: All forms of communications, marketing and corporate resources available to service users, stakeholders, patients and the public and the NWSSP proactively welcoming the use of Welsh in day to day business operations and delivery.

Strategic Area 3: Welsh Language Workforce Planning

Vision: A bilingual workforce **that is confident in meeting the** requirements of the service user, stakeholders, patients and the public in both Welsh and English equally without delay.

Outcome: Increase in the number of staff that can speak and understand Welsh within the organisation and to utilise Welsh reading and writing skills in day to day operations and service delivery.

Strategic Area 4: Welsh Language Considerations in the Procurement and Delivery of Contracted Services

Vision: To provide a sourcing, supply chain, purchasing and accounts payable service to Health Boards and NHS Trusts across Wales through the medium of both Welsh and English equally and without delay.

Outcome: **Specific service delivery** contracts with a Welsh language requirement are done so effectively and within the realms of the Welsh Government Procurement Strategy.

Strategic Area 5: Primary Care Services

Vision: Engagement and collaboration with stakeholders and patients in order to support the primary care sustainability agenda in Welsh and English equally and without delay.

Outcome: Provide a wide range of services to and on behalf of Health Boards and NHS Trusts covering primary care contractors, and patient registration services in Welsh when required and/or requested.