

<p>Teitl adroddiad: <i>Report title:</i></p>	<p>Independent Review Management Response (Contract Procurement Review)</p>
<p>Adrodd i: <i>Report to:</i></p>	<p>PFIGC</p>
<p>Dyddiad y Cyfarfod: <i>Date of Meeting:</i></p>	<p>30 April 2024</p>
<p>Crynodeb Gweithredol: <i>Executive Summary:</i></p>	<p>This report provides the Committee with the Management Response to the Independent Review of Contract and Procurement Management, which was identified within the Financial Governance and Management Domain of the Special Measures Framework.</p> <p>In July 2023 the Health Board, in agreement with the Welsh Government, agreed the scope of the review to provide:</p> <ul style="list-style-type: none"> ○ An assessment of the adequacy and compliance with the Health Board's contract and procurement control framework (for both revenue and capital expenditure). ○ A report commissioned from NHS Wales Shared Services Partnership (NWSSP) - Audit & Assurance Services, to set out findings, incorporating: <ul style="list-style-type: none"> ▪ Assurance, where appropriate, on the current arrangements and controls in place. ▪ Identification of areas of good practice ▪ Identification of areas of weakness or where improvement is required, and associated recommendations. <p>The field work commenced on the 4th September and a draft report was shared on the 31 October 2023. A final report was issued 29th January 2024.</p> <p>The report found several areas of concern and non-compliance with the Standing Financial Instructions (SFIs) in relation to contracting and procurement.</p> <p>The report developed twenty-four actions for consideration by the Health Board, NWSSP Procurement Services and Welsh Government. The key themes were as follows :</p> <ul style="list-style-type: none"> • Policy, procedure and guidance for staff on procurement and contract management, and the general finance procedures to be brought up to date. • Roles and responsibilities between the Health Board and NWSSP Procurement to be clear, and to enhance the reporting and escalation process within the Health Board to ensure the Health Board has early sight of issues relating to procurement.

	<ul style="list-style-type: none"> • Ensure contracts are approved and signing of contracts, in line with the Scheme of Reservation and Delegation (SoRD). • Training and guidance documents to support staff who are responsible for managing contracts. • Maintain a definitive list of contracts across the Health Board. • Ensure the eWaiver system, is compliant with the SFIs and SoRD, review interdependency with the e-Financials system, and reduce the use of waivers submitted, to ensure value for money and market competition. • Provider Procurement Training for Executives and all staff involved in procurement, to ensure full understanding of responsibilities and requirements. <p>An immediate response was launched following the receipt of the Draft Report. A detailed programme of work was developed by the Finance Department and the report actions were sub analysed into c50 tasks, to ensure the granular details raised in the report were addressed. A Tracker document containing progresses to date, has been reported regularly to the Welsh Government and NHS Executive (Finance Team) and discussed at the Finance Special Measures Meetings.</p> <p>Significant progress has been achieved in addressing the issues raised and this has been in full collaboration with colleagues in NWSSP Procurement Teams. Key areas:</p> <ul style="list-style-type: none"> ▪ Revised SFIs and SoRD were endorsed by the Board in November 2023 – this was published on the website and communicated to all staff. ▪ Supporting Procurement Documents and Guidance including the Budget Mangers Handbook have been fully revised to better support staff and to ensure compliance with SFIs and the SoRD. ▪ A wide-ranging Training Programme, covering Procurement, Oracle Requisitions, Governance and Finance has been delivered to applicable staff (including the Executives) and is now a rolling programme being offered to Divisional Staff going forward. ▪ The eWaiver system has been fully revised and strengthened and is compliant with SFIs and the SoRD. ▪ An Annual Assurance Report will be presented to Audit Committee in July, by the NWSSP Director of Procurement Services. ▪ A fully enhanced Conformance Report is now being regularly presented to Audit Committee. ▪ The Finance Team, again supported by NWSSP Procurement colleagues, has a programme of meetings planned with Divisional Leads to ensure Local Contract Register requirements are in place that meet the needs of the organisation and ensure compliance and proactive contract management.
<p>Argymhellion: Recommendations:</p>	<p>The Committee is asked to note the Management Responses and the actions taken to address the issues raised in the Independent Contract Procurement Review.</p>

Arweinydd Gweithredol: <i>Executive Lead:</i>	Russell Caldicott, Interim Executive Director of Finance			
Awdur yr Adroddiad: <i>Report Author:</i>	Andrea J Hughes, Interim Finance Director - Operational			
Pwrpas yr adroddiad: <i>Purpose of report:</i>	I'w Nodi <i>For Noting</i> <input checked="" type="checkbox"/>	I Benderfynu arno <i>For Decision</i> <input type="checkbox"/>	Am sicrwydd <i>For Assurance</i> <input checked="" type="checkbox"/>	
Lefel sicrwydd: <i>Assurance level:</i>	Arwyddocaol <i>Significant</i> <input type="checkbox"/> Lefel uchel o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol <i>High level of confidence/evidence in delivery of existing mechanisms/objectives</i>	Derbyniol <i>Acceptable</i> <input checked="" type="checkbox"/> Lefel gyffredinol o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol <i>General confidence / evidence in delivery of existing mechanisms / objectives</i>	Rhannol <i>Partial</i> <input type="checkbox"/> Rhywfaint o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol <i>Some confidence / evidence in delivery of existing mechanisms / objectives</i>	Dim Sicrwydd <i>No Assurance</i> <input type="checkbox"/> Dim hyder/tystiolaeth o ran y ddarpariaeth <i>No confidence / evidence in delivery</i>
<p>Cyfiawnhad dros y gyfradd sicrwydd uchod. Lle bo sicrwydd 'Rhannol' neu 'Dim Sicrwydd' wedi'i nodi uchod, nodwch gamau i gyflawni sicrwydd 'Derbyniol' uchod, a'r terfyn amser ar gyfer cyflawni hyn:</p> <p><i>Justification for the above assurance rating. Where 'Partial' or 'No' assurance has been indicated above, please indicate steps to achieve 'Acceptable' assurance or above, and the timeframe for achieving this:</i></p> <p><i>Work continues to develop local contract registers and to maximise the use of NHS Wales Shared Services Procurement Services to ensure contract procurement rules are followed and to achieve the best value for money.</i></p>				
Cyswllt ag Amcan/Amcanion Strategol: <i>Link to Strategic Objective(s):</i>	To support Special Measures			
Goblygiadau rheoleiddio a lleol: <i>Regulatory and legal implications:</i>	Not applicable			
Yn unol â WP7, a oedd EqIA yn angenrheidiol ac a gafodd ei gynnal? <i>In accordance with WP7 has an EqIA been identified as necessary and undertaken?</i>	Not applicable			
Yn unol â WP68, a oedd SEIA yn angenrheidiol ac a gafodd ei gynnal? <i>In accordance with WP68, has an SEIA identified as necessary been undertaken?</i>	Not applicable			
Manylion am risgiau sy'n gysylltiedig â phwnc a chwmpas y papur hwn, gan gynnwys risgiau newydd (croesgyfeirio at y BAF a'r CRR)	Not applicable			

Details of risks associated with the subject and scope of this paper, including new risks(cross reference to the BAF and CRR)	
Goblygiadau ariannol o ganlyniad i roi'r argymhellion ar waith <i>Financial implications as a result of implementing the recommendations</i>	Not applicable
Goblygiadau gweithlu o ganlyniad i roi'r argymhellion ar waith <i>Workforce implications as a result of implementing the recommendations</i>	Not applicable
Adborth, ymateb a chrynodeb dilynol ar ôl ymgynghori <i>Feedback, response, and follow up summary following consultation</i>	Not applicable
Cysylltiadau â risgiau BAF: (neu gysylltiadau â'r Gofrestr Risg Gorfforaethol) <i>Links to BAF risks:</i> (or links to the Corporate Risk Register)	Not applicable
Rheswm dros gyflwyno adroddiad i fwrdd cyfrinachol (lle bo'n berthnasol) <i>Reason for submission of report to confidential board (where relevant)</i>	Not applicable
Camau Nesaf: Gweithredu argymhellion Next Steps: Implementation of recommendations	

Performance, Finance and Information Governance Committee

30 April 2024

Special Measures Independent Reviews - Management Response

Contract Procurement Review

1) Background and context

Within the Financial Governance and Management Domain, a review of contract and procurement management was identified.

In conjunction with the Welsh Government (Health and Social Services Group), the Health Board agreed the scope for the independent review to include:

An assessment of the adequacy and compliance with the Health Board's contract and procurement control framework (for both revenue and capital expenditure).

A report setting out findings, incorporating:

- Assurance, where appropriate, on the current arrangements and controls in place.
- Identification of areas of good practice
- Identification of areas of weakness or where improvement is required, and associated recommendations.

The Health Board commissioned NHS Wales Shared Services Partnership (NWSSP) - Audit & Assurance Services to undertake the review in line with the agreed scope.

The field work commenced on the 4th September and a draft report was shared on the 31 October 2023. A final report was issued 29th January 2024.

The report found several areas of concern and non-compliance with the Standing Financial Instructions (SFIs) in relation to contracting and procurement.

The Key findings as expressed by NWSSP Audit and Assurance:

- There are detailed operating procedures in place within NWSSP Procurement Services that outline the procurement process. However, the Health Board does not have any policy, procedure or guidance for staff on procurement and contract management, and the general finance procedures are out of date and require urgent review.
- Roles and responsibilities between the Health Board and NWSSP are clear, however there is scope to enhance the reporting and escalation process within the Health Board to ensure sufficient assurance is received from NWSSP, and the Health Board has early sight of issues relating to procurement.
- A detailed review of contracts highlighted some non-compliance with Health Board Standing Financial Instructions in relation to appropriate approval and signing of contracts.

- Contract management within the Health Board is inconsistent, with no instruction or guidance provided to staff who are responsible for managing contracts.
- There is no definitive list of contracts across the Health Board, with information received from services incomplete and inconsistent.
- The eWaiver system, which is used to request and approve single tender and quote waivers, does not ensure compliance with the SFIs, as it has no interdependency with the e-Financials system, and does not require the appropriate level of approval for waivers exceeding £25,000. The analysis of the eWaiver data shows that the Health Board is a significant outlier in terms of the number and value of waivers submitted, which raises questions about value for money and market competition.
- There has been no procurement training for Executives and all staff involved in procurement, to ensure full understanding of responsibilities and requirements, despite the previous recommendations from EY and internal audit.
- NWSSP Procurement Services maintain a forward work plan of areas requiring future contracts based on both current contracts in situ and Waive requests to ensure sufficient time is afforded to plan requirements, competition, quotes etc. We found no evidence of a similar practice for the contracts managed directly by Health Board staff and not recorded on the eCM register.

The report developed twenty-four (24) actions for consideration by the Health Board, NWSSP Procurement Services and Welsh Government.

An immediate response was launched following the receipt of the Draft Report. A detailed programme of work was developed by the Finance Department and the report actions sub analysed into c50 tasks, to ensure the granular details raised in the report were addressed. A detailed progress tracker was maintained on the actions taken, and has been reported regularly to the Welsh Government and NHS Executive (Finance Team) and discussed at the fortnightly Finance Special Measures Meetings. As at the time of writing this report 5 of the 24 actions are ongoing :

- 2 Health Board – linked to Contract Registers and Financial Procedure Reviews
- 2 NWSSP – Linked to Updated Procurement Guidance and Annual Assurance Report
- 1 WG - Linked to a review of the Single Quote/Tender Waiver limits

2) Overview from Development Session

The previous development session reviewed the Internal Audit findings following a commission to review contracting and procurement, the specification endorsed through engagement with Welsh Government.

The findings reported in the meeting directly relate to the actions taken by the Health Board, noting that the action plan evidences a number of elements that have already completed, in no small part owing to the delivery of actions in advance of receipt of the findings from Internal Audit

(management not awaiting the report prior to instigating improvements within the control environment).

As agreed during the session, this report then evidences (a) the recommendations (b) action taken by management and (b) those actions that remain in progress.

It is noted, this report will then be shared with Audit Committee members (the Committee Charged with Governance) for assurance the actions noted as completed can be signed off by Internal Audit, and further to offer continued oversight of delivery within the timeframes articulated below for any actions still to be implemented by management (See table 1 – Management Response Action Plan).

3) Key Themes from the Review

Themes from reviews received to date	Applicable to this review <i>Check box if applicable</i>
1. Data, Intelligence & Insight Ensuring that there is an organisation wide approach with prioritised interventions into improving our data, intelligence and insight tools and capabilities. This will be a key enabler for sustainable improvement as well as supporting identification of future potential services of concern.	<input type="checkbox"/>
2. Culture Defining, engaging and committing to the long-term work necessary to improve the culture of the organisation. Integrated into our broader organisational development plan across Culture, Leadership and Engagement.	<input type="checkbox"/>
3. Risk Management Reviewing and refining our approach and appetite to risk, including how risks are identified, managed, mitigated, reported and monitored.	<input type="checkbox"/>
4. Patient, Family, Carer Involvement A single coordinated approach to maximise involvement and engagement with our patients and their families and carers, using their experiences to guide our ongoing service improvement.	<input type="checkbox"/>
5. Operating model Ensuring our operating model is designed to best deliver our strategic priorities, with clarity for everyone across all levels of the organisation on the roles and responsibilities, systems and processes within divisions and Pan BCU services.	<input type="checkbox"/>
6. Organisation Governance and compliance Ensuring organisation wide visibility and understanding of governance best practice and ensuring adherence to it.	<input checked="" type="checkbox"/>
7. Integrated Planning A well understood integrated approach to planning as a discipline, as well as contributions to our annual planning process.	<input type="checkbox"/>

4) Recommendations

The committee is asked to **APPROVE** the management response in readiness for onward publication into the public domain.

Table 1: Management Response Action Plan

Organisation Governance and Compliance					
Ref	Action	Lead	Deadline	RAG status¹	Progress Update
Action 1	The Health Board needs to understand why these four services did not respond by the timeline set.	Health Board	Completed		<p>Reviews with the four areas highlighted that the Internal Audit request, at the beginning of September, providing a 5 working days turnaround for response.</p> <p>Given the short notice and unavailability of some of the leads during the period, the areas were unable to respond in the timeline given.</p> <p>Contact was made with Internal Audit who advised that there would be no allowable extension to the deadline and any response received beyond the stipulated date would not be reviewed. One of the Divisions did submit prior to the audit being completed but when queried, Internal Audit advised that anything received after deadline would not be reviewed.</p>
Action 2	The Executive Director of Finance ensures the current finance procedures are reviewed with urgency and a full review of the Standing Financial Instructions (SFIs) is undertaken to identify	Health Board	Completed		<p><u>Element 1 = Full Review of SFIs</u> A full review of Model 2023 SFIs was undertaken and following approval from Board these were adopted on the 30th November 2023. The 2023 SFIs are available on Health Board website.</p> <p><u>Element 2 = Published Finance Procedures (see Action 10</u></p>

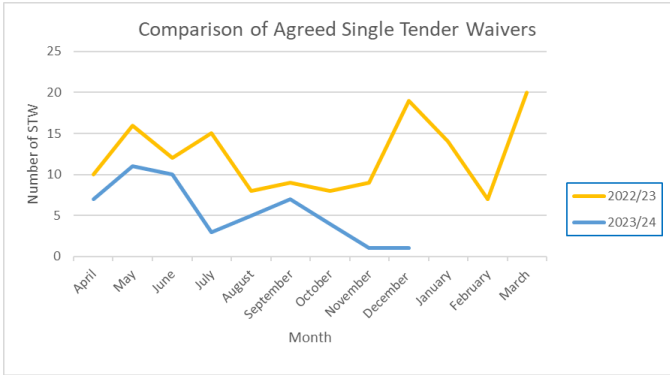
Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
	gaps in published procedures to guide/instruct the Health Board in complying with the SFIs.				for ongoing element) A annual schedule has been drawn up of target dates for completion of reviews of current finance procedures incorporating the timeframe for consultation in line with Health Board's Policy on Policies. On target to complete those procedures assigned for review in Q1 2024/25.
Action 3	NWSSP Procurement Services and Health Board: The 'All Wales Procure to Pay e-Manual for use by Health Organisation' content is reviewed and updated where necessary and NHS Wales Shared Services Partnership (NWSSP) works with the Health Board to actively publicise it.	Health Board and NWSSP	Completed		The 'All Wales Procure to Pay e-manual' has been reviewed and is considered to be aligned to current SFIs. The manual is now available on the BetsiNet Intranet site for staff to access. The Budget Managers' Handbook has been fully updated and is available on the BetsiNet site. The Weekly Bulletin has been used to communicate the availability of revised manuals and guidance. A rolling programme of Procurement Training sessions delivered jointly by NWSSP Procurement Team and Finance Staff, to Budget Managers and other applicable staff, is now embedded.
Action 4	To detail the actions taken / planned actions to address the specific recommendations detailed in the Ernst & Young report.	Health Board	Completed		Many of the recommendations from the E&Y report are included as separate actions in this review. The SFIs and Scheme of Reservation and Delegation (SoRD) have been reviewed and updated and the Health Board has adopted the revised versions in November 2023. A rolling programme of training sessions is now being delivered to applicable staff on the requirements of the SFIs and SoRD as well as training delivered by NWSSP on procurement. Guidance documents including the Budget Managers

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
					Handbook have been reviewed and updated and additional internal controls have been included for areas including signing of contracts and single tender waivers.
Action 5	An urgent review of the eWaiver system is completed to ensure it delivers the full requirements of the Standing Financial Instructions and interacts with the e-Financials System and is a key control to corroborate approval/rejection of waivers prior to any requisition and purchase order being approved and actioned.	Health Board	Completed		<p>Finance soft launched a new waiver system following a period of user testing in December 2023. The system went fully live in February 2024.</p> <p>Key areas of improvement are compliance with delegated limits contained within the Scheme of Reservation and Delegation, improved visibility of continuous (year on year) waivers; increased focus on retrospective requests; automated reminders where further action is deemed necessary; and improved tracking which supports reporting to Audit Committee. The Health Board has been approached by other NHS Wales organisations who are looking to adopt this advanced system approach.</p> <p>It is not considered feasible to integrate the eWaiver system with the e-Financials system (Oracle) due to the complexity and cost involved. Actions have been taken to communicate that the waivers will be considered on an exceptional basis and combined with the Procurement training and updated controls</p>

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update																																							
					<p>implemented; the number of single waivers being requested and approved has been significantly reduced.</p>  <table border="1"> <caption>Comparison of Agreed Single Tender Waivers</caption> <thead> <tr> <th>Month</th> <th>2022/23</th> <th>2023/24</th> </tr> </thead> <tbody> <tr><td>April</td><td>10</td><td>7</td></tr> <tr><td>May</td><td>16</td><td>11</td></tr> <tr><td>June</td><td>13</td><td>10</td></tr> <tr><td>July</td><td>15</td><td>3</td></tr> <tr><td>August</td><td>8</td><td>5</td></tr> <tr><td>September</td><td>9</td><td>7</td></tr> <tr><td>October</td><td>8</td><td>4</td></tr> <tr><td>November</td><td>9</td><td>1</td></tr> <tr><td>December</td><td>19</td><td>1</td></tr> <tr><td>January</td><td>14</td><td>1</td></tr> <tr><td>February</td><td>7</td><td>1</td></tr> <tr><td>March</td><td>20</td><td>1</td></tr> </tbody> </table>	Month	2022/23	2023/24	April	10	7	May	16	11	June	13	10	July	15	3	August	8	5	September	9	7	October	8	4	November	9	1	December	19	1	January	14	1	February	7	1	March	20	1
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Action 6	The Chief Executive ensures the requirements of SFI 11.13.5 is complied with and the Audit Committee receive timely reports on waivers.	Health Board	Completed		<p>Whilst specific Single Tender Waiver reports have been reported to the Audit Committee during 2023/24, a fully revised Conformance Report has been developed and produced for the Audit Committee meeting in January 2024 this now forms part of ongoing 'Cycle of Business'.</p>																																							
Action 7	The Board Secretary ensures Standing Order 9 – Signing and Sealing Documents is always complied with, in particular SO 9.0.1 where the Board has considered "...a transaction to which the document relates has been approved by the Board."	Health Board	Completed		<p>Discussions have been held with the Board Secretary and going forward the minutes of meetings will be explicit in detailing the Board agreement and approval given to signing and sealing of documents by Chief Executive Officer of behalf of the Health Board, in line with the SoRD.</p>																																							

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
Action 8	The Chief Executive ensures contracts are signed in accordance with Standing Order 9.2.2 either by the Chief Executive or nominated officers delegated by the Board.	Health Board	Completed		Linked to Action 7 - this has been discussed with the Board Secretary and going forward, minutes of meetings will be explicit in detailing approval and actions. Chief Executive, or nominated signatory in line with SoRD delegated authority, to sign contracts following Board approval. The rolling programme of Procurement training incorporates governance awareness including requirements of SFIs and SoRD for approval and signing of contracts.
Action 9	The Scheme of Reservation and Delegation (SORD) is reviewed to ensure it complies with the requirements of Standing Order 9 as we noted the SORD delegates contract approval with limits to Executive Directors.	Health Board	Completed		The Scheme of Reservation and Delegation (SORD) has been fully reviewed and updated and the revised version (including delegation of governance approval to Executive Team and Committees) was adopted by the Health Board on 30th November 2023 - this is available on the Health Board website and has been communicated to all staff via the Weekly Bulletin update.
Action 10	The Executive Director of Finance ensures Finance Policies/Procedures are developed that provide all Health Board staff responsible for procurement detailed guidance and expectations to ensure compliance with Standing	Health Board	Ongoing		An annual schedule has been drawn up of target dates for completion of reviews of current finance procedures incorporating the timeframe for consultation in line with Health Board's Policy on Policies. On target to complete those procedures assigned for review in Q1 2024/25. The updates will ensure compliance with SFIs and SoRD.

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
	Financial Instructions and expected control in contract management.				<p>In conjunction with NWSSP Procurement, a rolling programme of training sessions is now being delivered to applicable staff which incorporates the requirements of the SFIs and SoRD.</p> <p>Guidance documents including the Budget Managers Handbook have been reviewed and updated and additional internal controls have been included for areas including signing of contracts and single tender waivers.</p>
Action 11	Health Board: Working with NWSSP, develops a composite contract register for the Health Board to ensure the risk of independent contract development is minimised and the Health Board maximises value for money where several contracts with a single supplier can be amalgamated.	Health Board	Ongoing		<p>This is an action for the Health Board to work jointly with NWSSP.</p> <p>NWSSP maintain a contract register for all contracts that they manage on behalf of the Health Board. Other areas within BCU, for example Healthcare contracting, manage their own contract registers.</p> <p>Details of existing contracts are being reviewed on a rolling programme and discussions with Divisions on the robustness of local contract registers forms part of the ongoing improvement programme in this area. Working collaboratively with NWSSP colleagues to maximise their involvement with contract management and procurement to ensure, where applicable, competition takes place to ensure compliance with the law and to achieve value for money.</p>

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
					Stronger controls (revised delegated limits for example) and management of single waivers has been implemented.
Action 12	To ensure the Scheme of Delegation is applied appropriately in e-Financials, and is updated to ensure all of the organisation's structure is captured.	Health Board	Completed		A rolling programme of internal reviews are being undertaken across Divisions to ensure that e-Financials (Oracle) and ESR are compliant with revised SoRD. Senior finance staff to ensure ongoing maintenance across their service areas going forward.
Action 13	Review escalation routes within the Health Board for the Head of Procurement.	Health Board & NWSSP	Completed		Relevant escalation policies and routes exist across NWSSP and BCUHB.
Action 14	As part of the monthly meetings between both Finance & NWSSP, ensure reports pertaining to blank email/fax details in purchase orders are reviewed and corrective action taken to address irregularities.	Health Board & NWSSP	Completed		<p>This is a joint action for Health Board and NWSSP.</p> <p>A report is produced by NWSSP each month and remedial action taken where details are not complete on Oracle. Now forms part of business as usual actions.</p> <p>Regular Procure to Pay (P2P) meetings take place between BCU</p>

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
					Finance staff and NWSSP staff from payments and procurement teams.
Action 15	To review reporting arrangements with the local procurement team to determine requirements going forward, including Audit Committee reporting and attendance.	Health Board	Completed		<p>Monthly P2P meetings between BCU and NWSSP take place to review activity and issues of concern. Various regular reports are produced by NWSSP to monitor and manage areas such as e-waiver activity levels, No PO No Pay and Invoices on Hold. This is considered to be the relevant forum for operational matters.</p> <p>Revised Conformance Report produced for January Audit Committee meeting. NWSSP to be invited to Audit Committee as appropriate by the Chair.</p> <p>The Procurement Annual Assurance Report is to be produced by NWSSP and will be presented for review to Audit Committee after year end.</p>
Action 16	The Chief Executive receives an update from Officers responsible for facilitating and delivering procurement training which includes the timetable for delivery	Health Board	Completed		<p>Various Training has been undertaken:</p> <ul style="list-style-type: none"> ▪ Procurement Training delivered by NWSSP to Executive Team and now part of Induction Mandatory Training.

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
	<p>capturing all current posts, how new appointees will receive their training and what refresher training will be provided and how e.g. On-line training presentation.</p>				<ul style="list-style-type: none"> ▪ Finance Department - Procurement Lunch and Learn 22 November 23 – attended by c50 Finance Staff; ▪ Pan BCU - Oracle iProcurement Refresher Course 23 October 23 - attended by c400 people (Oracle Account Users). ▪ Finance Department - Lunch and Learn 13 Dec 23 – focusing on SFI/SoRD, Single Waivers, Audit Preparation – attended by c60 staff. ▪ Finance Department –Lunch and Learn session Mar 24 & 27 Mar 24 – Year End in conjunction with Audit Wales - attended by c90 staff. ▪ Contracting Lunch & Learn Session – in partnership with NWSSP - 17 January 24 - attended by c70 staff. ▪ NWSSP and Finance Staff delivering rolling programme on Procurement and SFI/SoRD Training to budget holders over 100 staff reached to date. ▪ NHS Finance Academy Session 24th January 24 – Discussed training resources available and Competency Framework Assessments - attended by c60 staff. ▪ All new requisitioners and approvers (budget managers) required to complete I-Procurement training on set-up (<i>e-mail 29.08.23 20:01</i>).

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
					<ul style="list-style-type: none"> Training open to ALL requisitioners via Oracle New User Request Form (office.com) LIVE; Budget Managers Handbook now fully revised and includes links to e-learning (bite size) resources. Launched and available on Betsinet.
Action 17	The Supplier Header in 'eCM' data is consistent as set-up in Oracle e-Financial.	NWSSP	Completed		<p>The recording of supplier details on Bravo/eCM is managed by the suppliers who register their details when they create their initial account on Bravo and although the system is set up to advise that they ensure their details are accurate and in line with their official company records, it is not possible to enforce this. Assurance is provided that in the vast majority of cases, the eCM record will always be linked to the supplier account that responded to the relevant Invitation to Tender (i.e., their details are pulled through from the tender process when the contract records are being created in eCM).</p> <p>These records are not shared with suppliers – they are for NWSSP internal records only and they are used to inform the NWSSP Contract Workplan (particularly recording Single Tender Actions on the ECM Register).</p>

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
Action 18	The Director of Procurement Services ensures all policies, procedures and guidance documents are up to date in line with the Standing Financial Instructions.	NWSSP	Ongoing		Updated guidance for Procurement Services to be issued 'early 2024/25'. All Wales Shared services are updating their DMS (document management system) for procurement services, an update is due in May 2024.
Action 19	The Director of Procurement Services provides an annual assurance report to the Chief Executive, who is ultimately responsible for procurement in the Health Board, of compliance with the Standing Financial Instructions, including a summary of any breaches with expected procurement controls.	NWSSP	Ongoing		The Health Board has identified and advised NWSSP that the Annual Assurance Report will need to be presented to Audit Committee after year end (May 24). NWSSP have confirmed that a report will be ready for Health Board for the July meeting (linked to timing of the papers for May Committee being too early).
Action 20	The Director of Procurement Services ensures NHS Wales is ready for any changes in the Procurement Bill to	NWSSP	Completed		This is a National issue and the Director of Procurement provided an update to the BCU Executive Director of Finance. The Welsh Government circulated Draft Bill for consultation prior to moving towards Royal Assent. An update is expected later in the year. Training is already in

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
	current process and provides updates to all NHS Wales Boards on any impacts of change – This is timebound.				the planning stage, to be provided to all appropriate staff in NHS Wales organisations, and the associated impacts of changes will be embedded in processes and procedures.
Action 21	Ensure all STW/SQW applications are scrutinised to ensure compliance with Standing Financial Instruction 11.13.3 and reject where the criteria has not been met.	NWSSP	Completed		NWSSP are providing additional supporting narrative within the refreshed eWaiver system including reasoning and recommendations for approval or rejection.
Action 22	To provide information to the Health Board on services provided to other Health Boards / Trusts.	NWSSP	Completed		<p>The vast majority of services provided to Health Boards by NWSSP, are identical. There are instances where Health Boards are investing additional resources into specific areas/teams to provide additional support, including:</p> <ul style="list-style-type: none"> • One Health Board has invested in a Band 7 support officer for Capital Construction projects • Another Health Board has invested in 1 Band 6 and 1 Band 4 to support IT Projects. • A Health Board has provided c£190k recurrently for procurement support to deliver additional savings

Organisation Governance and Compliance

Ref	Action	Lead	Deadline	RAG status ¹	Progress Update
					and increase Insourcing/Outsourcing Commissioned activity.
Action 23	Review of the current tender limit is considered, whilst recognising the financial pressures facing NHS Wales.	Welsh Government	Ongoing		This action is for consideration and response by Welsh Government.
Action 24	Consider enhancing the Standing Financial Instructions to exclude NHS Wales organisations from completing and approving Waivers based on timescales.	Welsh Government	Completed		From a Health Board perspective there is no additional steps required at this stage. The review of the Health Board SFIs which were approved and adopted in November 2023 have strengthened clause 11.13.4 with the additional reference included in SFI 11.13.4 that "A lack of sufficient time to complete the procurement process is not an acceptable reason for the requesting of a Single Quote/Tender Award"

¹ **RAG status definitions:** **Green:** On track, **Amber:** Off track with mitigations in place to bring back on track, **Red:** Off track without mitigations in place to bring back on track