

ASSURANCE REPORT

NHS WALES SHARED SERVICES PARTNERSHIP COMMITTEE

Reporting Committee	Shared Service Partnership Committee
Chaired by	Mrs Margaret Foster, Chair
Lead Executive	Mr Neil Frow, Managing Director, NWSSP
Author and contact details.	Peter Stephenson, Head of Finance and Business Development
Date of meeting	22 July 2021
Summary of key matters including achievements and progress considered by the Committee and any related decisions made.	
<p>Presentation on Foundation Economy – Jonathan Irvine and Claire Salisbury from NWSSP Procurement presented on the Foundation Economy (FE). There are currently three workstreams under this heading:</p> <ul style="list-style-type: none"> • Workstream 1- to identify and report all FE expenditure by 31 July; • Workstream 2 - delivery of additional circa £8.4m of expenditure into the FE through contract renewal programme up to 31st October 2021; and • Workstream 3 - identify additional FE expenditure not currently influenced by NWSSP Procurement. <p>Additional resource has been obtained to help take forward this agenda. Positive feedback was provided by HEIW in terms of ensuring that educational training contracts were provided in Wales wherever possible, and the support of NWSSP has been invaluable in taking this forward.</p> <p>Questions were raised as to whether the ambition set out in the presentation was sufficiently bold, and whether all regions of Wales would benefit equally from it. The ambition has to be realised within the confines of procurement rules and also in what is possible. For example, many products that are needed within NHS Wales are not currently manufactured in Wales, so help is required from Welsh Government to establish a manufacturing base. Where this has already happened (e.g. with PPE) there is often a significant price differential between goods manufactured locally and those available from established markets in China and elsewhere where economies of scale result in a cheaper unit price. There is therefore a balance between investing locally, creating Welsh jobs and providing greater resilience, and the VFM achievable though getting these products at a significantly lower unit price. Conversely some Welsh manufacturers currently supply NHS England but not NHS Wales so it should be relatively straightforward to add these organisations to our supply base.</p> <p>It was agreed that a briefing document would be produced on the achievements</p>	

to date and the aspirations for the future and that this would be made available to the rest of NHS Wales.

Chair's Report – Due to a timing issue the Chair informed the Committee that she had approved an Urgent Chair's Action for the Student Awards Bursary System Business Case which required submittal to Welsh Government earlier in the month. The Committee **RATIFIED** the approval.

Managing Director's Report – key issues noted were:

- **Green Health Wales Conference** - NWSSP were represented at the Green Health Wales Conference launch on the 29th of June. Following the event, we now have a follow up meeting to see how we can work closer with Green Health Wales on opportunities to improve decarbonisation especially across services such as Procurement and Specialist Estates Services.
- **TMU** - We are currently developing a number of additional products that can be delivered through the Temporary Medicines Unit including increasing the support to the next phase of the Covid vaccination programme. The team continue to look at options of developing the service to enable this resource to be used in new and innovative ways, which could provide options to free up nursing time across NHS Wales and deliver some significant savings by procuring and distributing additional ready to use pre-filled products where appropriate.
- **Pre-Employment Checks** - The dispensation which allowed pre-employment checks to be undertaken remotely during the pandemic is due to be lifted by the Home Office meaning that these checks will now need to be undertaken face-to-face with effect from the 1st of September. Arrangements have been implemented to ensure that these checks can be undertaken in both a safe and efficient manner.

Items Requiring SSPC Approval/Endorsement

BREXIT Closure Report - The original objective of the BREXIT programme was to prepare for EU transition by building up stocks, mobilising IP5 as appropriate warehousing, and establishing the National Supply Disruption Response (NSDR) system. The plans and facilities put in place for dealing with EU Transition proved invaluable in dealing with the Covid pandemic response. Capacity within IP5 enabled substantial stock levels and space to receive invaluable medical equipment (and particularly PPE) to be held and enabled support to be provided to Social Care. The systems developed through the Brexit Mobilisation Group helped support the identification of essential product ranges together with appropriate governance mechanisms. Lessons learnt included the need to improve the Clinical Collaborative Groups (including the Medical Directors) engagement and input into identifying and advising on the additional non-stock items that were required as part of the stock build process. Going forward, active management of the Brexit stock will continue to at least January 2022, at which point a decision on stockholding is expected from the UK Government. The NSDR Helpdesk is being decommissioned and going forward will be incorporated into business-as-usual activities for Health Courier Service. The Committee **NOTED**

the report.

Appointment of New Chair – The Committee were reminded that in May 2020 they approved a one-year extension to the tenure of the current NWSSP Chair owing to the pandemic and the subsequent difficulties in recruiting. The extended term of office expires at the end of November 2021 and recruitment is currently underway for a new Chair, with a target for this to be completed by the end of August.

Lease Car Salary Sacrifice – Current Co2 Emissions across NHS Wales Salary Sacrifice Fleet for diesel/petrol cars are set at 120g/km. NWSSP management proposed to begin to reduce the current scheme levels in order to meet the expected Welsh Government targets of 50g/km by 2025.

In order to achieve this reduction in Co2 emissions, the following reductions were proposed:

- Introduce a **100g/km** Co2 Emission limit from 1 October 2021 for diesel/petrol cars (not Hybrid cars)
- Reduce this by a further 20g/km in April 2022 taking the upper limit to **80 g/km**
- Reduce this by a further 20g/km in April 2023 taking the upper limit to **60g/km** (this would bring us in line with the 50g/km expectation well before 2025)

Committee members discussed the potential impact of the proposal together with the benefits of encouraging staff to move to Electric and Hybrid vehicles. It was accepted that the new rules would significantly reduce the cars available through the scheme but would provide a better pathway to achieving the overall reduction in Co2 emissions. The Committee **APPROVED** the reduction in Co2 emission limits as part of the overall scheme.

Oxygen Finance – The Committee **APPROVED** a proposal to revise the Gain/Share arrangement with Oxygen Finance Limited. The arrangement seeks to pay supplier invoices of onboarded suppliers by day 10 in return for a small rebate, typically 1%. NHS Wales share of the Gain/Share Model is currently 72.7% of the rebate monies with Oxygen Finance receiving 27.3%. However, two key areas of spend that were originally included in the arrangement have since been excluded from the arrangement and as a consequence the scheme has not worked in the way that was originally intended by Oxygen Finance. As this change was introduced by NHS Wales it was proposed that the Gain/Share Model was revised to a 60/40 split effective from the 1st August 2021.

Transfer of Church Village Laundry – The Committee were provided with a SBAR covering the transfer of the Church Village Laundry from Cwm Taf UHB to NWSSP with effect from October 2021. The paper was also going to the Cwm Taf July Board meeting and sets out the financial and operational details of the transfer. The Committee **ENDORSED** the paper.

Laundry SLA – As previously agreed the Committee reviewed the updated SLA which was based on the existing service volumes and schedules for the existing 12 customers of the 3 LPUs that are currently managed by NWSSP. The SLA has been developed based on an existing service specification between Aneurin Bevan University Health Board and Cardiff and Vale University Health Board. The Committee **APPROVED** the SLA subject to any significant amendments being suggested by Nurse Directors.

Finance, Workforce, Programme and Governance Updates

Laundry Services – NWSSP have inherited a large number of potential health and safety issues and other associated risks following the transfer of three laundries in April. A detailed action plan has been produced to address these issues and this will be monitored on a regular basis through the NWSSP Senior Leadership Group Meetings.

Oracle Upgrade – a verbal update was provided on the agreed delay to the upgrade of Oracle systems which has been postponed until from July to October. It was stressed that meeting the October date will be crucial to avoid future disruption.

Project Management Office Update – The Committee reviewed and noted the programme and projects monthly summary report, which highlighted the team's current progress and position on the schemes being managed.

Finance Report – NWSSP are forecasting a break-even position for the year. Additional savings have been generated during the first quarter which will be utilised on investments including the major TRAMS and Laundry projects with any excess redistributed to NHS Wales and Welsh Government. In particular the Committee noted the latest forecast outturn identifies that £16.495m will be required to be funded through the risk sharing agreement which is in line with the 2021/22 Annual Plan.

People & OD Update – Sickness absence rates remain historically low and may well be a benefit of substantial numbers of staff working from home. As requested at the last Committee, the report included detail on Welsh Language performance. The Committee discussed the phased return of staff to the office and the benefits of remote working such as health and wellbeing and being able to recruit high-quality candidates from outside the normal catchment area.

Corporate Risk Register – the Committee noted the report including which included the continued risk relating to the replacement of the NHAIS system. A new risk has been added relating to the Oracle upgrade.

Gifts & Hospitality 2020/21 Annual Report – The Committee noted the report that highlighted that there were no instances of gifts and/or hospitality offered or received during 2020/21.

Declarations of Interest 2020/21 – The Committee noted the report which provided an overall summary of declarations received by directorate and also provided the detail on the declarations made by members of the NWSSP Senior

Leadership Group.	
Papers for Information	
The following papers were received for information: <ul style="list-style-type: none"> • Welsh Risk Pool Update • Medical Examiner Update • Audit Wales PPE Update • Finance Monitoring Reports (Months 2 & 3) • Audit Committee Highlight Report • Health & Safety Annual Report 2020/21 	
Matters requiring Board/Committee level consideration and/or approval	
<ul style="list-style-type: none"> • The Board is asked to NOTE the work of the SSPC and ensure where appropriate that Officers support the related work streams. 	
Matters referred to other Committees	
N/A	
Date of next meeting	23 September 2021