
SUBORDINATE
LEGISLATION

2011 No. 13

**NATIONAL HEALTH
SERVICE (WALES) ACT 2006**

**The NHS Wales Shared Services
Directions 2011**

Made

17 March 2011

Coming into force

1 April 2011

WHEREAS

A. The Welsh Ministers wish to ensure the effective, efficient and economical provision of certain administrative, professional and technical services (the shared services) in relation to the health service in Wales.

B. The Welsh Ministers have established arrangements (the arrangements) providing for the delivery and strategic planning of the shared services and a governance framework providing for the reporting and monitoring of performance of the shared services by a group to be called the NHS Wales Shared Services Partnership Committee (the Committee) and for the accountability of the Director of Shared Services referred to in direction 2 below to the Chief Executive of the NHS in Wales and monitoring of his performance by the Chair of the Committee.

C. The Local Health Boards and NHS Trusts in Wales have collaborated over the operational arrangements for the provision of the shared services and have agreed to work together to ensure that the arrangements are introduced and operate effectively by collective decision making in accordance with the policy and strategy recommended by the Committee.

The Welsh Ministers, in exercise of the powers conferred on them by sections 12, 13, 19 and 203(9)

and (10) of the National Health Service (Wales) Act 2006⁽¹⁾ make the following directions:-

Title and commencement

1. The title of these directions is the NHS Wales Shared Services Directions 2011 and they come into force on 1 April 2011.

Interpretation

2. In these directions —

“the Act” (“*y Ddeddf*”) means the National Health Service (Wales) Act 2006;

“the Director of Shared Services” (“*Cyfarwyddwr y Cydwasaethau*”) means a Director appointed by or on behalf of the LHBs and the Trusts with a view to the Director having delegated authority for the functions set out in Schedule 1;

“the LHBs” (“*y BILLau*”) means the Local Health Boards established pursuant to section 11 of the Act and whose names are listed in Schedule 2;

“shared services” (“*cydwasaethau*”) means, unless the context otherwise requires, the services described in column 2 of Schedule 4 and other services brought within the shared services arrangements following a review undertaken in accordance with paragraph 3(c) of these directions; and

“the Trusts” (“*yr Ymddiriedolaethau*”) means the National Health Service Trusts established pursuant to section 18 of the Act whose names are listed in Schedule 3.

Exercise of functions

3. The LHBs and the Trusts must exercise their functions —

- (a) so as to cooperate with each other in relation to the provision of the shared services having regard to the principles set out in Schedule 5;
- (b) so that, with effect from 1 April 2011, each LHB and Trust specified in column 1 of Schedule 4 provides the relevant shared services to any of the LHBs and the Trusts requiring them, and for these purposes the relevant shared services are the services described in relation to the specified LHBs or Trusts, or both, as the case may be, in the

(1) 2006 c.42.

- corresponding entry in column 2 of Schedule 4;
- (c) so that they take steps after 1 April 2011 in order—
 - (i) to consider the feasibility of and mechanisms for bringing other services within the shared services arrangements,
 - (ii) to review which other services may be provided as part of the arrangements with a view to ensuring the effective, efficient and economical provision of administrative, professional and technical services in support of clinical services provided to those patients for whom they each have responsibility, and
 - (iii) to facilitate the bringing of such services within the arrangements;
 - (d) so that whenever possible no payments are made between LHBs and Trusts for the provision of the shared services provided in accordance with sub-paragraph (b) or (c) and that in other respects, provided that it does not conflict with these directions, the shared services must be provided in accordance with the policy and strategy for shared services recommended by the Committee and approved by the Welsh Ministers.

Compliance with standing orders etc.

4. The LHBs and the Trusts must, in procuring and providing the shared services, comply with their respective Standing Orders, Standing Financial Instructions, procedures and policies and relevant statutory requirements including those relating to the procurement of services.

Alternative provision of services

5. If a LHB or a Trust is unable at any time to meet a demand for the provision of shared services due to lack of capacity or expertise, it must take appropriate steps through the Director of Shared Services in order to secure provision of such services from other persons.

Attendance at meetings etc

6. The LHBs and the Trusts must make their staff available to attend meetings of the Committee as required and otherwise act in a way which supports its effective operation in accordance with its Terms of Reference and Operating Arrangements.

Administrative and management support services

7. The LHBs and the Trusts must provide the following administrative and management support services in support of the Director of Shared Services and with a view to the efficient and effective operation of the shared services arrangements —

- (a) provide advice to the Director of Shared Services, as required, in relation to their respective Standing Orders, Standing Financial Instructions, policies and procedures;
- (b) provide, where required, accommodation, and other corporate services to support the shared services staff employed by them;
- (c) grant to the Director of Shared Services access to such information as he or she may reasonably require in order to carry out the shared services functions;
- (d) provide the Auditor General for Wales with any assistance and information which the Auditor General considers necessary for the discharge of his or her statutory functions;
- (e) account for the funding received and expended on shared services;
- (f) enter into such tenders, procurement contracts or other agreements as may be approved and required for the provision of the shared services in accordance with their Standing Orders, Standing Financial Instructions and procurement and tendering procedures and policies.
- (g) delegate authority for the Director of Shared Services to sign such documents and agreements in accordance with the limits specified in the Standing Orders and Standing Financial Instructions of the LHBs or the Trusts which are to be parties to those documents and agreements.
- (h) be the appointing body and employer for all staff in their respective organisations involved wholly or mainly in respect of the provision of shared services;
- (i) co-operate in respect of any requests for information made to the Director of Shared Services or the Welsh Ministers in relation to the delivery and performance of shared services.

Annual reports

8. The LHBs and the Trusts must assist the Director of Shared Services in preparing in respect of each financial year an annual report in relation to the

provision of shared services in the NHS in Wales for consideration by the Committee and submission to the Welsh Ministers.

Edwina Hart AM

Minister for Health and Social Services, one of the Welsh Ministers

Date 17 March 2011

SCHEDULE 1

Functions of the Director of Shared Services

1. The preparation of an annual NHS Wales Shared Services Business Plan and Annual Report based on the policies and strategy set by the Committee;
2. Overall management of the achieving of the objectives set out in the Business Plan via the Senior Management Team led by the Director of Shared Services;
3. Day to day management of the staff engaged by the relevant LHBs and the Trusts wholly or mainly in delivery and management of the shared services;
4. The undertaking of competitive tender exercises required in relation to the shared services or to new services which may become part of the shared services;
5. The execution of any legally binding documents relating to the shared services on behalf of the LHBs and the Trusts.

SCHEDULE 2

Local Health Boards

Abertawe Bro Morgannwg University Local Health Board

Aneurin Bevan Local Health Board

Betsi Cadwaladr University Local Health Board

Cardiff and Vale University Local Health Board

Cwm Taf Local Health Board

Hywel Dda Local Health Board

Powys Teaching Local Health Board

SCHEDULE 3

NHS Trusts

Public Health Wales NHS Trust

Velindre NHS Trust

Welsh Ambulance Services NHS Trust

SCHEDULE 4

Shared Services

| <i>(1)</i> <i>Local Health Boards and NHS Trusts</i> | <i>(2)</i> <i>Description of shared services</i> |
|---|---|
| Cwm Taf Local Health Board | Welsh Health Estates |
| Betsi Cadwaladr Local Health Board | Welsh Health Legal Services and the Welsh Risk Pool |
| Powys Teaching Local Health Board | Contractor Services |
| Velindre NHS Trust | Prescribing Services Unit |
| Hywel Dda Local Health Board | Capital and PFI audit and consultancy services |
| Abertawe Bro Morgannwg University Local Health Board | Welsh Health Supplies |
| Local Health Boards and Trusts | Procure to Pay Services comprising Accounts Payable and Procurement Services Payroll and Recruitment Services Internal Audit Services |

SCHEDULE 5

Shared Services Principles

1. Cooperation should ensure that the shared services arrangements provide, overall, added value to the NHS in Wales in terms of optimum utilisation of resources and the avoidance of duplication of services.

2. Cooperation should be designed to deliver innovation in the provision of shared services and demonstrable benefits.

3. Cooperation should ensure a more extensive and consistent use of evidence to support effective decision making in terms of standardisation of processes,

improved use of technology, improvements in economies of scale and better procurement.

4. Cooperation should support the LHBs and the Trusts in working together more effectively, in an open and transparent way, for the benefit of all stakeholders.

5. Cooperation should focus upon cost efficiencies, reviewing evidence of good practice, designing models of service and producing clear service specifications; and

6. Cooperation should promote the sharing of risks and benefits between the LHBs and the Trusts on an equitable basis.