

Management Letter - NHS Wales Shared Services Partnership

Audit year: 2020-21

Date issued: September 2021

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

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Our work did not identify any significant issues that prevented NHS auditors relying on the services provided by NHS Wales Shared Services Partnership (NWSSP) although improvements could be made in some areas.

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Summary report

Introduction

- 1 The Auditor General is responsible for providing an opinion on whether each NHS body's financial statements represent a true and fair view of the state of its financial affairs as at 31 March 2021.
- 2 The audit teams of each individual health body, are responsible for undertaking audit work to enable the Audit General to provide his opinion and in doing so they determine the audit and assurance work required on the services provided by the NHS Wales Shared Services Partnership (NWSSP).
- 3 In January 2021, we presented a paper to the NWSSP Audit Committee - 2021 Audit Assurance Arrangements – setting out the external audit assurance work to be undertaken on those services provided by the NWSSP to the various NHS bodies across Wales.
- 4 In this report we outline the findings identified from this work in respect of:
 - Audit and Assurance Services (NWSSP – AAS);
 - Primary Care Services (NWSSP – PCS);
 - Employment Services (NWSSP – ES);
 - Procurement Services (NWSSP – PS); and
 - Legal and Risk Services (NWSSP – LARS) which includes Welsh Risk Pool Services (WRPS).
- 5 We will issue a separate report detailing the findings from our review of the nationally hosted NHS IT Systems.

Issues arising from the audit

- 6 Our work did not identify any significant issues that prevented auditors relying on services provided by NHS Wales Shared Services Partnership (NWSSP) although we have identified that improvements could be made in some areas.
- 7 Our high-level findings in respect of each of the services subject to our review are outlined below.

Audit and Assurance Services (AAS)

- 8 Local health body audit teams need to consider ISA 610 – Using the work of internal auditors – to assess the adequacy of Internal Audit work for the purposes of the audit. To inform this evaluation, we considered the arrangements in place against the requirements of the Public Sector Internal Audit Standards (PSIAS).
- 9 We did not identify any issues regarding NWSSP – AAS's compliance with the PSIAS standards that would prevent us taking assurance from their work.

Primary Care Services (PCS)

- 10 Local Health Board audit teams planned to place reliance on specific key controls within the general medical services (GMS), general pharmaceutical services (GPS) and community pharmacy prescription services (CPPS) systems. We therefore documented, evaluated and tested controls in respect of:
- global sum payments to general medical practitioners (capitation lists and patient rates); and
 - payments to pharmacists (checks undertaken by the Professional Services Team and drug tariff rates).
- 11 Our testing covered the primary care teams in Swansea and Mamhilad and the CPPS team in Companies House and we found that the controls tested were operating effectively overall and could therefore be relied upon, although some issues were identified regarding the GPS and GMS functions which are set out below.

General Pharmaceutical Services

- An SLA covering the years 2014-17 between the LHBs and PCS states that approximately 1% of prescriptions will be tested by the Professional Services Team (PST). It was however identified that in 2021-22, PST only checked 1% of scripts in one of the first nine months and that the monthly average was only 0.64%. The reason provided for this was the lack of resources and staff working remotely during the pandemic.
- It was also noted that the SLA is out of date as it expired in 2017.
- We identified that for some monthly payments checked by the PST team, corrections were not made to the payments for the errors identified. Whilst recognising this as an internal control failure the amounts concerned were of a low value – the gross value of the uncorrected underpayments arising was £53.43 and overpayments were £31.87 resulting in a net underpayment of £21.56. This is a net underpayment of less than 0.01% of the population tested.

General Medical Services

- Whilst we found that that PCS were reviewing capitation reports for significant variances, for three of the samples selected, GP practices had not submitted the selected month's capitation reports to the Primary Care team for verification.
- 12 Recommendations for improvement have been made which are documented in **Appendix 1**.

Employment Services

- 13 Local health body audit teams planned to place reliance on the key controls in respect of exception reporting within the payroll system. We therefore documented, evaluated, and tested these controls regarding the payroll services operating at Companies House, covering both payroll teams.
- 14 All-Wales exception reporting parameters were agreed and implemented in July 2018 and our testing found that exception reports were produced and there was generally evidence of an investigation of the variances and the action taken to amend where necessary. However, internal control procedures in respect of the review of exception reports were not being applied in all cases for either of the payroll teams, as set out below:

Cardiff and Vale payroll team

- Testing of monthly exception reports found that for some reports there was no evidence that they had been reviewed, either by the payroll officer or a senior officer;
- Conversely, we found in some cases examples where the initial check of the reports and their review were undertaken by the same officer, meaning that the segregation of duties internal control was not applied; and
- Some items in the payroll exception reports had outstanding queries meaning that insufficient information existed to record the fact that these variances had been appropriately explored and explained.

Aneurin Bevan payroll team

- Some items in the payroll exception reports had outstanding queries meaning that insufficient information existed to record the fact that these variances had been appropriately explored and explained; and
 - In some cases there was no evidence that the exception reports had been reviewed by a senior officer.
- 15 It is recognised that Covid-19 restrictions and in particular the adoption of remote working has posed additional complications for the period subject to our review, however similar recommendations were also made in 2019 and 2020 but the agreed actions have not yet resulted in full compliance. A recommendation for improvement has been made which is documented in **Appendix 1**.

Procurement and Accounts Payable Services

- 16 Our assurance work focussed on the approval arrangements in respect of contracts exceeding £1 million, awarded by the Procurement Unit in NWSSP.
- 17 The period subject to our review, April 2020 to March 2021, coincided with the period when the impact of the Covid-19 pandemic was its height, during which the

NWSSP Procurement Unit were at the forefront in dealing with the national response to this internal emergency. Therefore some examples were identified where expediency of supply was a critical factor meaning that some contracts were awarded by NWSSP prior to obtaining WG approval. These related mainly to Covid-19 testing contracts procured on behalf of PHW.

Legal and Risk Services (LARS)

- 18 The local audit teams at each NHS body need to consider ISA 500 – Audit evidence – to assess the adequacy of Legal and Risk Services as a management expert for the purposes of their audits. To aid this evaluation, we considered the arrangements in place at NWSSP against the requirements of ISA 500. Based on the work we undertook, we did not identify any issues that would prevent auditors relying on NWSSP – LARS’s work as a management expert.

Recommendations

- 19 The recommendations arising from our 2020-21 work are set out in **Appendix 1**. Management has responded to them and we will follow up progress on them during next year’s audit.
- 20 The recommendations raised following our 2019-20 audit work have been satisfactorily addressed with the exception of the issue concerning the control weaknesses on payroll exception reports, which has been repeated again this year.

Appendix 1

Action plan

Exhibit 1: recommendations

We set out all the recommendations arising from our audit with management's response to them.

Para	Issue	Recommendation	Priority	NWSSP responsibility and action	Completion date
12	<p>NWSSP – Primary Care Services</p> <p>The SLA between NWSSP and the LHBs concerning the testing of prescription payments is not being adhered to and is out of date.</p>	<p>R1 NWSSP – PCS should review the SLA and ensure that its requirements are adhered to.</p>	Medium	<p>Schedule E of the overarching NWSSP SLA is refreshed on an annual basis ensuring compliance with corporate arrangements. PCS will complete a review of reference documentation being held within the PST and request all old versions are deleted. The importance of ensuring the master version is always referenced will be reiterated. The master version is held within Sharepoint and the team will be reminded of this link and electronic pathway.</p> <p>The 1% testing of prescriptions is defined within internal SOP and not a requirement under the SLA. PST roles have recently been redefined</p>	<p>October 2021</p> <p>March 2022</p>

Para	Issue	Recommendation	Priority	NWSSP responsibility and action	Completion date
				and PCS will undertake a complete review of supporting SOP's to ensure we continue to add value.	
12	<p>NWSSP – Primary Care Services</p> <p>Capitation reports were not always obtained from GP practices.</p>	R2 NWSSP – PCS should ensure that capitation reports are obtained from GP practices.	Low	This is currently being progressed in partnership with DHCW colleagues. We are seeking to eliminate the need to receive paper certificates form practices and have the required data provided directly to us via the Primary Care portal arrangements. This solution will be tested against the Oct 21 quarterly process and following successful testing will be implemented with immediate effect	Dec 21
15	<p>NWSSP – Employment Services</p> <p>Internal control procedures for the review of exception reports are not being complied with.</p>	R3 NWSSP – ES should ensure that internal control procedures for reviewing exception reports are complied with.	Medium	We are reviewing the exception reporting process to investigate how it can be improved. This will be completed in early 2022, and for the time being the current manual method of checking will continue to ensure probity.	March 2022



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Nationally Hosted NHS IT Systems – NHS Wales Shared Services Partnership

Audit year: 2020-21

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The IT controls we examined assured us that financial values produced by the systems for 2020-21 were likely to be free from material misstatement, although some controls could be strengthened.

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Summary report

Summary

- 1 NHS bodies in Wales are responsible for preparing financial statements that give a true and fair view of the state of their financial affairs as at 31 March 2021. They must ensure that they are properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made thereunder by Welsh Ministers. NHS bodies are also responsible for preparing Annual Governance Statements in accordance with guidance issued by HM Treasury and the Welsh Government.
- 2 The Auditor General is responsible for providing an opinion on whether each NHS body's financial statements represent a true and fair view of the state of its financial affairs as at 31 March 2021.
- 3 NHS Wales has a variety of arrangements in place to provide and support IT systems used for financial reporting purposes. Since June 2012, Velindre University NHS Trust (the Trust) has hosted the NHS Wales Shared Services Partnership (NWSSP) and is responsible for its governance and accountability.
- 4 This report covers the national NHS IT applications and infrastructure which NWSSP manages for use by other NHS organisations in Wales. These systems include the:
 - Prescription Pricing System (formerly known as the Community Pharmacy System) which is used to process prescriptions and calculate reimbursement for pharmacy contractor payments. This system is used by the Prescription Services Team of Primary Care Services (PCS).
 - National Health Application and Infrastructure Services (NHAIS) or Exeter, used for NHS demographics and calculating primary care General Medical Services (GMS) contractor payments. NHS Digital in NHS England manages and supports the NHAIS system software for use in NHS Wales. Digital Health and Care Wales (DHCW) manage and support the NHAIS IT infrastructure used in NHS Wales.
 - Oracle Financial Management System (FMS) is supplied by a third party called Version One and managed for NHS Wales by the Central Team e-Business Services (CTeS) within the NWSSP. The Oracle FMS is used by NHS Wales as the main accounting system for managing and producing the NHS accounts.
 - Electronic Staff Record (ESR) systems administration is the responsibility of each individual Local Health Board and Trust through delegated responsibility passed to NWSSP via a Service Level Agreement (SLA). Payroll access by NWSSP Employment Services to process the payroll in Wales is managed in accordance with the Trust's ESR system access process. The ESR Payroll system is managed and hosted nationally by IBM on behalf of NHS England and NHS Wales under a managed service contract.

- 5 International Auditing Standard (ISA) 315 requires us to obtain an understanding of the general IT and application controls of the financial systems used by NHS Wales. As part of the National Hosted NHS IT Systems audit plan, Audit Wales reviewed the above-mentioned systems during 2020-21 and followed up our prior audit recommendations in these areas. This work reviews the ICT environment and application controls that are applied to the National Hosted NHS IT Systems solely for the purposes of providing assurance for NHS audit opinions. We have taken the opportunity to identify actions that, in our view, would help NHS Wales improve its governance and use of these systems.
- 6 This work is undertaken to identify potential risks which may include:
- out-of-date and unsupported infrastructure;
 - access security arrangements that leave the system vulnerable to unauthorised access and attack;
 - loss or unauthorised access of data; and
 - change control procedures which are inadequate meaning that the system could be compromised or unavailable following the application of a new patch, upgrade or release of the database or the application software or infrastructure change.
- 7 We have therefore undertaken a review that sought to answer the question: **‘Can auditors be assured that the IT system controls are such that financial values are likely to be free from material misstatement?’**
- 8 **We concluded that the IT controls applied to the Prescription Pricing, National Health Application Infrastructure, Oracle Financials systems and ESR Payroll systems administration managed by NHS Wales Shared Services, were sufficiently effective to allow financial auditors to take assurance that financial values produced by the systems for 2020-21 were likely to be free from material misstatement. However, NWSSP could strengthen some controls.**
- 9 In summary, the reasons for this conclusion are set out below:
- the Prescription Pricing System’s controls support the production of information that is free from material misstatement;
 - the National Health Application and Infrastructure Service system’s controls support the production of information that is free from material misstatement, however, system replacement plans are underway;
 - the Oracle FMS’s IT controls support the production of information that is free from material misstatement, although information security controls are currently being reviewed; and
 - the ESR Payroll’s Shared Services system administration controls support the production of information that is free from material misstatement.
- 10 This report summarises the more detailed matters arising from our audit, our recommendations made from this year’s audit and our follow-up of last year’s recommendations.

Detailed report

The Prescription Pricing System's controls support the production of information that is free from material misstatement

- 11 We have identified no significant IT application or infrastructure issues likely to result in a material misstatement within the Prescription Pricing System. However, we identified some issues that should be addressed by Primary Care Services in order to minimise the potential for future application and infrastructure system risks. From our IT work in 2020-21, we have identified one recommendation to NWSSP for improvement. This is outlined below:
 - test the Prescription Pricing systems IT Disaster Recovery (DR) plans at least annually. The last DR system test was in March 2020 and the IT DR plan dated March 2021 requires a testing schedule every two years. It is good practice to test the recovery of IT systems at least annually. The DR plan should be amended to document and require an annual testing requirement.
- 12 NWSSP have addressed all prior year IT recommendations made for improvement and none remain in progress.
- 13 Further details of our findings and progress against actions for the Prescription Pricing System agreed with Primary Care Services officers can be found in **Appendix 1**.

The National Health Application and Infrastructure Service system's controls support the production of information that is free from material misstatement, however, system replacement plans are underway

- 14 We have identified no significant issues within the NHAIS system likely to result in a material misstatement. However, we have identified some issues that should be addressed by NWSSP in order to minimise the potential for future application and infrastructure system risks. From our work in 2020-21 we have identified three improvement areas for NWSSP. These are outlined below:
- review the number of NHAIS system administration accounts, we identified during our fieldwork that a system administrator who has left NWSSP has not had their user account deleted. Remove the system administration access account for the NHAIS systems administrator who has left NWSSP;
 - update the NHAIS user access log that records NHAIS user access and used to review user access to job functions. This control has not been completed by the NHAIS systems administrator in 2020-21 and during our fieldwork the access log could not be located; and
 - DHCW send a user access activity report to NWSSP NHAIS systems administrators to monitor access, during our fieldwork the access report could not be located and the control has not been undertaken in 2020-21.
- 15 Plans to replace the NHAIS functionality in Wales for GMS processing for the 'global sum' or 'per capita' payments are underway. NWSSP has delayed the planned implementation in late 2020-21 to later in 2021-22 due to a number of issues identified in system testing. NWSSP plans to implement the Family Payment Practitioner System (FPPS) after a period of parallel system running later in 2021-22. Plans to decommission the NHAIS system and ensure continuity of continuing NHAIS services required are ongoing and should be agreed with both NWIS and NHS Digital.
- 16 NHS England and NHS Digital are still deciding on NHAIS decommissioning arrangements. NWSSP will be required, in 2021-22 to work jointly with DHCW to support preparations, where necessary, on the system replacement options and Welsh requirements. NHS Digital plans to decommission the NHAIS in England as early as during 2021 or 2022. NHAIS will be replaced by a number of other systems and the Capita system will be the payments engine in NHS England for calculating general medical services payments. NHS Digital have developed the demographic registration and reporting systems required to replace NHAIS demographics functionality for NHS England.

- 17 NWSSP have addressed all prior year IT recommendations made for improvement and none remain in progress.
- 18 Further details of our findings and progress against actions for the NHAIS system agreed with Primary Care Services officers can be found in **Appendix 1**.

The Oracle FMS's IT controls support the production of information that is free from material misstatement, although information security controls are currently being reviewed

- 19 We have identified no significant IT application or infrastructure issues likely to result in a material misstatement within the Oracle FMS. However, we identified some issues that should be addressed by Shared Services in order to minimise the potential for future application and infrastructure system risks. The planned July 2021 Oracle system upgrade to version 12.2.9 has been delayed to October 2021 due to a number of issues identified in user system testing. From our work in 2020-21, we have identified three recommendations to NWSSP for improvement. These are outlined below:
 - complete the Oracle FMS IT Disaster Recovery (DR) test in 2021-22 as soon as is practically possible ensuring all NHS organisations attend the next scheduled test. The last IT DR test was completed in November 2019 and the scheduled test in November 2020 was deferred due to disruptions caused the pandemic. We were informed during our fieldwork that the next scheduled IT DR test would not be until after both the Oracle version upgrade to 12.2.9 has been completed in October 2021 and the February 2022 Oracle patch release.
 - complete the planned accreditation to the Information Security Management Standard (ISO 27001) to identify potential improvement areas. CTES are currently documenting an action plan for implementation in 2022; and
 - complete the planned accreditation to the Information Technology Service Management (ISO 20000) standard for service management. CTES aims to complete accreditation in 2022.
- 20 NWSSP have addressed all prior year IT recommendations made for improvement and none remain in progress.
- 21 Further details of our findings and progress against actions for the Oracle FMS agreed with Shared Services can be found in **Appendix 1**.

The ESR Payroll's Shared Services system administration controls support the production of information that is free from material misstatement

- 22 The Electronic Staff Record (ESR) Payroll system is managed and hosted nationally by IBM on behalf of NHS England and NHS Wales under a managed service contract. We have reviewed the ESR Payroll systems administration controls (payroll elements only) managed by NWSSP. This responsibility includes managing user access to the payroll system in Wales by the NWSSP Employment Services staff who process the Welsh NHS organisations' payrolls. In addition to seeking to place reliance on the International Standard on Assurance Engagements (ISAE) 3000 report of the IBM Service Auditor noted below, Audit Wales IM&T auditors have reviewed the controls in place over the ESR Payroll systems administration managed under a delegated authority by NWSSP, Employment Services.
- 23 We have not identified any significant IT issues likely to result in a material misstatement within these ESR Payroll systems' administration controls. From our work in 2020-21, we have identified one recommendation to NWSSP for improvement. This is outlined below:
- the six monthly control review of all payroll access to ESR User Resource Profiles (URPs) was not completed in Q1 2021 as planned due to COVID disruptions. During our fieldwork in April 2021 it was identified that the last review was in October 2020 and the next review was being planned for later in 2021. We were also made aware during our audit that Employment Services were considering strengthening this control to quarterly reviews thereafter.
- 24 In 2019-20, we identified one recommendation for improvement for the ESR Payroll systems access controls. The NWSSP has made progress to address these actions by:
- adding the check to the six monthly payroll access reviews to ensure HR administration activity at a local NHS organisation level to allocate ESR payroll user access profiles are identified and monitored on a regular basis. The next review is planned after our April 2021 fieldwork for later in 2021.
- 25 We sought to place reliance on the ISAE 3000 report of the IBM Service Auditor, PwC, on the general IT controls applied at IBM. PwC conducted the review in accordance with the ISAE 3000 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information'. For the period 1 April 2020 to 31 March 2021, PwC concluded that the ESR payroll general IT controls and

environment were suitably designed and operated effectively with the exception of the two areas noted below. PwC qualified their opinion on two controls objectives covering the ESR system change management and access security.

Recommendations have been made for the NHS ESR Central Team and IBM to strengthen the IT controls around change management and access security between the development and live payroll application environments. PwC has not identified any other areas in their 2020-21 work for improvement or recommendations to the IT controls used by the NHS ESR Central Team and IBM.

- 26 Further details of our findings and progress against actions for the ESR Payroll systems administration control agreed with Shared Services can be found in **Appendix 1**.

Recommendations

- 27 **Exhibit 1** sets out the recommendations that we have identified in 2020-21. NWSSP should take action to address these recommendations. The appendix to this report sets out progress made against all the previously reported recommendations that remain in progress and ones that have been completed in 2020-21.

Exhibit 1: 2020-21 recommendations

Recommendations

Prescription Pricing System

R 2020-21.01

Test the Prescription Pricing systems IT Disaster Recovery (DR) plans at least annually. The DR plan should be amended to document and require an annual testing requirement.

NHAIS

R 2020-21.02

Strengthen the NHAIS system administration access and review of user access and activity by:

- removing the system administration access account for the NHAIS systems administrator who has left NWSSP;
- updating the NHAIS user access log that records NHAIS user access and used to review user access to job functions; and
- reviewing the NHAIS user access activity report sent to NWSSP NHAIS systems administrators by DHCW to monitor user access.

Oracle FMS

R 2020-21.03

Recommendations

Complete the accreditation to the Information Security Management Standard (ISO 27001) to identify potential improvement areas.

R 2020-21.04

Complete CTES accreditation to the Information Technology Service Management (ISO 20000) standard for service management.

2020-21.05

Complete the Oracle FMS IT Disaster Recovery (DR) test in 2021-22 as soon as is practically possible ensuring all NHS organisations attend the next scheduled test.

ESR Payroll system IT controls

R 2020-21.06

Complete the six monthly control review of all payroll access to ESR User Resource Profiles (URPs). This was not completed in early 2021 as planned due to COVID disruptions and was last completed in October 2020.

Appendix 1

Issues and recommendations arising from the review of National Hosted NHS IT Systems in prior audit years and in 2020-21 – NHS Wales Shared Services Partnership

Exhibit 2: issues and recommendations

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
Prescription Pricing System – IT controls work						
2020-21.01	The last IT Disaster Recovery (DR) system test was in March 2020 and the IT DR plan dated March 2021 requires a testing schedule every two years. It is good practice to test the recovery of IT systems at least annually. The DR	Test the Prescription Pricing systems IT Disaster Recovery (DR) plans at least annually. The DR plan should be amended to document and require an annual testing requirement.	Medium	Yes	Neil Jenkins – Head of Modernisation & Technical Services	<p>Management Comment</p> <p>DR test planned for March 2022.</p> <p>DR plan document update now completed.</p>

Issues identified during IT audit work

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
	plan should be amended to document and require an annual testing requirement.					

National Health Application and Infrastructure Services – IT controls work

Issues identified during IT audit work

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
2020-21.02	<p>We identified during our fieldwork in April 2021 a number of issues with the NHAIS system administration access and review of user access activity:</p> <ul style="list-style-type: none"> a) a system administrator who has left NWSSP has not had their user account deleted. b) the NHAIS user access log that records NHAIS user access and used to review user access to job functions has not been updated. This 	<p>Strengthen the NHAIS system administration access and review of user access and activity by:</p> <ul style="list-style-type: none"> a) removing the system administration access account for the NHAIS systems administrator who has left NWSSP; b) updating the NHAIS user access log that records NHAIS user access and used to review user 	High	Yes	Neil Jenkins - Head of Modernisation & Technical Services	<p>Management Comment</p> <p>Administrator access account has been removed.</p> <p>Actions b) and c) planned to be completed by December 2021.</p>

Issues identified during IT audit work

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
	<p>control has not been completed by the NHAIS systems administrator in 2020-21 and the access log could not be located.</p> <p>c) DHCW send a user access activity report to NWSSP NHAIS systems administrators to monitor access, the access report could not be located and the control has not been undertaken in 2020-21.</p>	<p>access to job functions; and</p> <p>c) reviewing the NHAIS user access activity report sent to NWSSP NHAIS systems administrators by DHCW to monitor user access.</p>				

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
Oracle Financial Management System – IT controls work						
2020-21.03	<p>CTES has completed and a gap analysis assessment of the Oracle FMS to the Information Security Management Standard (ISO 27001) to identify potential improvement areas.</p> <p>The outcome will be a set of recommendations for implementation during 2021-22.</p> <p>It is good security management practice to assess and baseline a</p>	Complete the accreditation to the Information Security Management Standard (ISO 27001) to identify potential improvement areas.	Medium	Yes	Stuart Fraser – Acting Head, CTeS	<p>Work in progress</p> <p>It was agreed by the All Wales Oracle (STRAD) Board that this would be deferred due to high priority projects and in particular the requirement to complete the major Oracle system upgrade in October 2021. It has been agreed by STRAD that we will seek to obtain accreditation by 31 December 2022 and approval has been obtained to appoint a</p>

Issues identified during IT audit work

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
	comparison to the ISO 27001 standard.					dedicated project manager.
2020-21.04	<p>CTES provides FMS services to the consortium of Welsh NHS organisations. It is good practice IT service management to conform or be accredited to the Information Technology Service Management (ISO 20000) standard.</p> <p>CTES have completed the gap analysis and we were informed during our fieldwork that they aim to</p>	Complete CTES accreditation to the Information Technology Service Management (ISO 20000) standard for service management.	Medium	Yes	Stuart Fraser – Acting Head, CTES	<p>Work in progress</p> <p>It was agreed by the All Wales Oracle (STRAD) Board that this would be deferred due to high priority projects and in particular the requirement to complete the major Oracle system upgrade in October 2021. It has been agreed by STRAD that we will seek to obtain accreditation by 31</p>

Issues identified during IT audit work

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
	<p>complete accreditation during 2021-22 cycle.</p> <p>CTES consider there are benefits to complete accreditation to the Information Technology Service Management (ISO 20000) standard for service management.</p>					December 2022 and approval has been obtained to appoint a dedicated project manager.
2020-21.05	The last IT DR test was completed in November 2019 and the scheduled test in November 2020 was deferred due to disruptions caused the pandemic. We were informed during our fieldwork that the next scheduled IT DR test would not be until after	Complete the Oracle FMS IT Disaster Recovery (DR) test in 2021-22 as soon as is practically possible ensuring all NHS organisations attend the next scheduled test.	High	Yes	Stuart Fraser – Acting Head, CTeS	<p>Work in progress</p> <p>CTeS are on track to implement the Oracle upgrade in October 2021 and complete a full Business Continuity (BC) & DR test in February 2022 across all FMS</p>

Issues identified during IT audit work

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2021
	both the Oracle version upgrade to 12.2.9 has been completed in October 2021 and the February 2022 Oracle patch release.					Services. A change release including latest patch sets planned for January 2022 implementation.

ESR Payroll systems administration – IT controls work

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status –
2019-20.01	Local HR staff manage access to the local HR side of the ESR payroll and those with HR administrator access for	Establish a monitoring report of local HR administration staff that have allocated ESR users	Medium	Yes	Angela Jones - Assistant ESR Programme Director, Workforce & OD	Work in progress URP reports will be run from ESR and shared

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	<p>recruitment and applications can allocate payroll related User Resource Profiles (URP's). However, they are not permitted to use these roles and this access is restricted to approximately 2-3 staff per NHS organisation.</p> <p>It was identified during the audit fieldwork that there is no scheduled reporting or monitoring of this potential HR administration user activity.</p>	<p>to payroll URP's when they are not permitted to. Monitor the report produced on a quarterly basis.</p>				<p>with the Head of Payroll and Payroll Managers on a quarterly basis for validation/amendments as appropriate. On completion, the URP access in ESR will be updated.</p> <p>This will be incorporated into the Workforce Information Manager's business as usual work programme for continuity.</p>

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2020-21.06	The six monthly control review of all payroll access to ESR User Resource Profiles (URPs) was not completed in early 2021 as planned due to COVID disruptions. During our fieldwork in April 2021 it was identified that the last review was in October 2020 and the next review was being planned for later in 2021. We were also made aware during our audit that Employment Services were considering strengthening this	Complete the six monthly control review of all payroll access to ESR User Resource Profiles (URPs). This was not completed in early 2021 as planned due to COVID disruptions and was last completed in October 2020.	Medium	Yes	Stephen Withers – Head of Payroll	<p>Management Comment</p> <p>The six-monthly URP review was due to take place around May-June 2021, but it was postponed due to the Mass Organisational Change Process (MOCP) from payrolls 120 to 043. During the MOCP project we checked for any anomalies with access when re-allocating URP access as part of the move, especially with Payroll staff given the key worker access to ensure business continuity.</p>

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	control to quarterly reviews thereafter.					It is our intention to pick up a full audit of URP access before the end of 2021, and to discuss how this will be incorporated into Payroll as a quarterly review going forward.



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