

Reference:	FOI.15871 & 15872.24
Subject:	Tax
Date of Request:	1 November 2024

Requested:

FOI.15871

The chancellor advised in the budget that tax liabilities are going to be overhauled and from April 2026 the end user (healthboard) will no longer liable. However the healthboard will be liable for any unpaid tax until that change.

4000 shifts on average per month equated to 1.5m in ENIC. If half your supply chain is not paying ENIC then that £750,000 potential liability per month for the last 6 years? Millions £100,000 per month.

1. Has the healthboard identified its own financial liability in relation to the unpaid tax and NI?
2. Has the healthboard audited it's suppliers to ensure that the correct tax and No is deducted at source.

Given that a large proportion of your nurses have has been supplied via agencies using umbrella companies paying gross onto Ltd.

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NHS Wales uses agencies for the supply of healthcare professionals - the following companies allow Gross Payments into Limited Companies via Maxipay/Enix Umbrella which is a breach of your contractual agreement.

Medics Pro
National Locums
Wimborne Nursing Agency
Concept Care

1. Has the healthboard audited the above suppliers to ensure that the correct tax and Ni deductions have been made at source? Or have they simply been allowed them to profit whilst putting the Healthboard at financial risk
2. Has the Healthboard seen the actual RTI reports that have been made to HMRC.
3. Can the healthboard advise why they are facilitating to avoidance of tax?
4. Has the healthboard or will the healthboard be referring the above information to HMRC for investigation?
5. who within the Healthboard is responsible for IR35 compliance?
6. Can the headboard advise how many shifts since 04 April 2017 have the above suppliers - Medics Pro, National Locums, wimbourne nursing agency, and concept care has supplied to date.
7. In the last 12 month how many busing shifts have the 4 Agency supplied?

8. How many individual nurses have been supplied by each agency?
9. What is the total amount invoiced by each of the four suppliers above - broken down by financial year for the four agencies for the last 3 years.
10. How many actual workers/payslips has the Healthboard audited to ensure compliance in the last 3 years?
11. What communications/letters/emails has the healthboard send out to agencies regarding IR35 and gross payments to limited companies?
12. Have any of the healthboards agency suppliers been removed from supplying due to breach of the healthboards IR35 policy?

Response:

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1. Hywel Dda University Health Board (UHB) continually reviews its financial liabilities, and accounts for these in the appropriate accounting year; accounts are audited by Audit Wales.
2. The UHB does not audit the appropriateness of its suppliers in complying with tax rules at source. Through procurement processes, all suppliers are checked for active company status, which in part, provides assurance that the supplier is operating in line with HMRC and Companies House requirements stipulated of them.

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1. Agencies supplying nurses to the UHB are required to adhere to the terms and conditions of an All-Wales contract in respect of the supply of nursing staff. By adhering to the All-Wales contract, none of the agency nurses provided by the above suppliers would have been contracted by way of arrangements involving an "intermediary" for the purposes of the Off payroll Working (IR35) legislation found in Chapter 10, Part 2 ITEPA 2003. Accordingly, responsibility for applying correct tax and NI deductions on payments to these nurses does not fall on the UHB.

On an annual basis, the UHB asks all its agency nurse suppliers to confirm whether any nurses provided by them to the UHB are paid via Personal Service Companies (or other "intermediaries" for the purpose of the Off-payroll Working legislation). None of these suppliers have informed the UHB of any nurses paid in this way.

2. No, the UHB has not seen the Real Time Information reports submitted by the agencies to HMRC.
3. The Freedom of Information Act (FoIA) affords members of the public the opportunity to access recorded information held by Public Authorities. This question is not deemed a valid request in accordance with the FoIA.
4. The Freedom of Information Act (FoIA) affords members of the public the opportunity to access recorded information held by Public Authorities. This question is not deemed a valid request in accordance with the FoIA.

5. The Chief Executive holds overall responsibility for IR35 compliance.
6. The table overleaf provides the number of shifts provided by each of the named providers since the 4 April 2017.

Agency name	Number of shifts
Concept Care Solutions	25,798
MedicsPro	6,808
NationalLocums	7,206
WNA Healthcare	40,187

7. The table below provides the number of shifts provided by each of the named providers on a monthly basis between 1 November 2023 and 31 October 2024.

Month	Concept Care Solutions	MedicsPro	NationalLocums	WNA Healthcare
November 2023	372	193	9	486
December 2023	342	240	117	509
January 2024	343	177	277	465
February 2024	425	147	377	452
March 2024	394	198	414	509
April 2024	339	190	362	482
May 2024	337	195	296	541
June 2024	330	187	449	540
July 2024	307	232	335	540
August 2024	332	204	359	513
September 2024	255	207	401	454
October 2024	214	143	274	432

8. The table below provides the number of individual nurses provided by the named agencies between 1 November 2023 and 31 October 2024.

Agency name	Number of nurses
Concept Care Solutions	49
MedicsPro	108
NationalLocums	129
WNA Healthcare	78

9. The table below provides the total amount invoiced (exclusive of VAT) for the 2021/22, 2022/23 and 2023/24 financial years.

Supplier	2021-22	2022-23	2023-24
Concept Care Solutions	£2,648,138.00	£2,394,935.00	£1,993,073.00
Medicspro Ltd	£50,642.00	£655,080.00	£1,171,668.00
National Locums	£0.00	£52,402.00	£502,935.00
WNA Healthcare	£4,847,642.00	£3,880,713.00	£3,560,295.00

10. The UHB has audited eight (8) workers during the requested timeframe to ensure compliance with legislation.
11. On an annual basis, the UHB asks all its agency nurse suppliers to confirm whether any nurses provided by them to the UHB are paid via Personal Service Companies (or other “intermediaries” for the purpose of the off-payroll working legislation). None of our suppliers have informed the UHB that any nurses are paid in this way.
12. The UHB is unaware of any such breaches.