

PO vs non-PO report of findings for SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD

Preventing procurement fraud

Organisation-specific feedback September 2022



Overall PO vs non-PO spend

The below table shows total spend, non-PO spend and non-PO average for your organisation across all 23 spend categories in all four quarters of 2019 - 2020. It also shows the average values for Welsh Local Health Board organisations, and the total sample

Table 1: Monetary breakdown of non-PO spend as a proportion of total spend.

Organisational Breakdown	Total Spend	Total No-PO Spend	Non-po spend %
SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD	£220,748,846.71	£138,479,610.18	62.7%
Welsh Local Health Board (Average)	£285,196,960.95	£156,341,615.59	48.4%
210 organisations (Average)	£49.7 million	£15.1 million	30.3%



Spend Category

The analysis considered instances of non-PO spend of 90% or above and in categories of 30% or above and attributed monetary value. This helped to identify the most pertinent categories of non-PO spend. This methodology identified five main vulnerable (eClass) categories of spend across the two data collections:

- D: Pharmaceuticals Blood Products & Medical Gases
- M: Hotel Services Equipment Materials & Services
- P: Building & Engineering Products & Services
- X: Transportation
- Z: Staff & Patient Consulting Services & Expenses.



Category D: Pharmaceuticals Blood Products & Medical Gases

Table 2: Breakdown of FVE instances and associated monetary value for Category D: Pharmaceuticals Blood Products & Medical Gases in 2019-20 FY.

Organisational breakdown	Total spend in Cat. D	Cat. D Total non-PO spend in Cat. D (percentage of total spend)	Total FVE Instances in Cat. D	FVE Cat. D value (percentage of total spend)
SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD	£5,813,470.71	£82,315.78 (1.4%)	0	£0.00 (0.0%)
Welsh Local Health Board (Average)	£5,407,299.87	£776,916.04 (14.4%)	0.0	£0.00 (0.0%)
210 organisations (Average)	£6.6 million	£1.6 million (23.6%)	0.6	£0.4 million (6.0%)



M: Hotel Services Equipment Materials & Services

Table 3: Breakdown of FVE instances and associated monetary value for Category M: Hotel Services Equipment Materials & Services in 2019-20 FY.

Organisational breakdown	Total spend in Cat. M	Total non-PO spend in Cat. M (percentage of total spend)	Total FVE Instances in Cat. M	FVE Cat. M value (percentage of total spend)
SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD	£4,695,348.99	£562,960.01 (12.0%)	0	£0.00 (0.0%)
Welsh Local Health Board (Average)	£4,267,936.83	£440,639.95 (10.3%)	0.0	£0.00 (0.0%)
210 organisations (Average)	£4.7 million	£1.2 million (26.3%)	0.3	£0.4 million (8.6%)



P: Building & Engineering Products & Services

Table 4: Breakdown of FVE instances and associated monetary value for Category P: Building & Engineering Products & Services in 2019-20 FY

Organisational breakdown	Total spend in Cat. P	Total non-PO spend in Cat. P (percentage of total spend)	Total FVE Instances in Cat. P	FVE Cat. P value (percentage of total spend)
SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD	£8,337,853.42	£4,577,682.21 (54.9%)	0	£0.00 (0.0%)
Welsh Local Health Board (Average)	£9,893,103.34	£2,516,422.35 (25.4%)	0.0	£0.00 (0.0%)
210 organisations (Average)	£30.1 million	£7.8 million (25.9%)	0.5	£3.2 million (10.6%)



X: Transportation

Table 5: Breakdown of FVE instances and associated monetary value for Category X: Transportation in 2019-20 FY

Organisational breakdown	Total spend in Cat. X	Total non-PO spend in Cat. X (percentage of total spend)	Total FVE Instances in Cat. X	FVE Cat. X value (percentage of total spend)
SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD	£3,221,972.27	£340,067.16 (10.6%)	0	£0.00 (0.0%)
Welsh Local Health Board (Average)	£1,896,608.98	£291,398.67 (15.4%)	0.0	£0.00 (0.0%)
210 organisations (Average)	£6.5 million	£2.0 million (40.0%)	1.6	£0.7 million (19.0%)



Z: Staff & Patient Consulting Services & Expenses

Table 6: Breakdown of FVE instances and associated monetary value for Category Z: Staff & Patient Consulting Services & Expenses in 2019-20 FY.

Organisational breakdown	Total spend in Cat. Z	Total non-PO spend in Cat. Z (percentage of total spend)	Total FVE Instances in Cat. Z	FVE Cat. Z value (percentage of total spend)
SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD	£41,135,991.83	£34,071,509.91 (82.8%)	0	£0.00 (0.0%)
Welsh Local Health Board (Average)	£91,050,479.26	£72,099,733.82 (79.2%)	0.9	£54,694,106.28 (60.1%)
210 organisations (Average)	£136.5 million	£24.4 million (17.9%)	1.0	£12.6 million (9.2%)



Recommendations & Action Plan

Recommendation(s)	High/Medium/Low	Owner
1. Health Sector CFB to advocate for FVE reduction measurement to be included in the Cabinet Office Consolidated Data Return to incentivise fraud prevention work / local proactive exercises across health sector.	Medium	Health Sector CFB
2. NHS organisations to reinforce existing Standard Operating Procedure / financial processes / organisational policy over the processing of payments through the P2P system and hold staff to account when the prescribed procedures are not followed.	High	NHS organisations / Director of Finance / LCFS
3. NHS organisations to continue to promote the procurement fraud prevention campaign amongst staff and continue to reinforce mitigating controls	Medium	NHS organisations / Director of Finance / LCFS
4. NHS organisations to review and update policies and procedures in accordance with NHSCFA procurement fraud prevention guidance.	Medium	NHS organisations / Director of Finance / LCFS
5. NHS organisations to undertake regular audits to ensure procedures are being followed.	Medium	NHS organisations / Director of Finance / LCFS
6. NHSCFA to review and update its existing procurement fraud prevention guidance (available on the NHSCFA website), taking into consideration the outcomes from this exercise.	Medium	NHSCFA



Key

Priority level		Definition
High		These recommendations involve matters of significance which may have adverse impact on an organisation's ability to meet its strategic aims and objectives and which require immediate consideration and action.
Medium		These recommendations involve matters of significance which whilst not posing an immediate threat to the organisations ability to meet its strategic aim and objectives may have the potential to do so in future, and / or concerns a matter of significant importance which requires consideration and action on the stand-alone basis.
Low		These recommendations involve matters of less significance but which if addressed may lead to service improvements

