



Name of Meeting
Audit and Corporate Governance Committee
Date of Meeting
10 September 2024
Agenda item:
4.4

Policy / Procedure Approval Report

Section 1 - Policy / Procedure Information

Policy / Procedure Title	No PO No Pay Policy
Policy Lead	Jane Matthews, Head of Financial Reporting and Control
Lead Executive	Huw George, Deputy Chief Executive and Executive Director of Operations and Finance
PHW / All Wales?	PHW
Date of last Review	1 September 2018
Is the current policy / procedure within review date?	No
Approving Body /Group	Audit and Corporate Governance Committee
Version Number	2.0

Section 2: Recommendation

The Committee is asked:

- **Consider** the new procedure, and the Equalities Impact Assessment
- **Approve** the policy.



Section 3 – Details of the Review:

Background:

Reason for review

This All-Wales policy was first introduced in September 2018.

The ongoing review of invoices received by Public Health Wales NHS Trust (and the wider NHS), that do not have a valid PO (purchase order) number quoted, shows large volumes of non-compliance with procurement regulations, as detailed in Standing Financial Instructions (SFI's). NHS Wales will be refocusing its efforts on fully complying with the No PO No Pay Policy. The policy has undergone a formal review following consultation and input from the All Wales P2P (Purchase to Pay) Governance Group.

Description/Assessment

A No PO No Pay policy is where invoices arriving in the system without an order number (unless on the approved exception list – see Appendix 1 of policy) are placed on hold and a weekly communication is emailed to the supplier who is instructed to seek an order number from the relevant department and manager that was supplied before payment is made.

The aim is to drive up compliance with the Standing Financial Instructions as well as the standard order management process.

The implementation of a national policy of 'No Purchase Order No Pay' is to be an essential and fundamental building block from which the efficiency and effectiveness of the P2P process can be developed.

Following review, minor changes have been made to the policy as described on page 2 of the policy document.

Consultation

Has this Policy / Procedure been through the appropriate 28 day consultation process?

Yes

Date range of consultation:

6 August 2024 – 2 September 2024

Please provide details of any feedback received and outline

No feedback received. No changes.



what changes if any were made to the document as a result:	
(Add detail)	
Had this policy / procedure been considered by any other groups?	Yes
If so, please provide detail of any comments / feedback or amendments made to the documents as a result of this	The policy was reviewed and updated following input from the All-Wales P2P Governance Group. It was presented to NHS Wales Deputy Directors of Finance Group on 25 June 2024 with a minor amendment required to the exception for NHS Organisations (to note it excludes NHS Supply Chain). The policy was presented to Shared Services Partnership Committee on 18 July 2024 and approved with no amendments noted.
(Add detail)	
Section 4: Impact Assessments	
Equality and Health Impact Assessment	An Equality and Health Impact Assessment has been completed and is included as an appendix to this paper. No issues were identified in the assessment.
Welsh Language Impact	The Policy will be translated to Welsh and available on the internet bilingually.
Risk and Assurance	This policy will help ensure that non pay expenditure is appropriately authorised in line with the Standing Orders and Standing Financial Instructions. It will also support the Trust in achieving deadlines for the payment of supplier invoices as set up Welsh Government.
Health and Care Standards	This Policy supports and/or takes into account the <u>Health and Care Standards for NHS Wales Quality Themes</u>
	Governance, Leadership and Accountability
	Theme 7 - Staff and Resources
	Choose an item.
Financial implications	There is no increase in expenditure associated with this policy being adopted. The policy will support the control of costs within the Trust, ensuring all non-pay expenditure is valid and appropriately authorised in advance of the receipt of goods/services.
People implications	There is no potential impact on workforce or staff survey plans as a result of this new procedure being adopted.
Socio Economic Duty	There are no implications to the duty.

5 - Implementation

Please complete the table below for this section, include any relevant actions required for implementation of this policy / procedure:

- How it will be implemented - If it requires resource, training or there are changes to current practice an implementation plan (template available on policy webpages) will be required to accompany the document giving clear timelines.
- If resources are required these should have been agreed prior to presentation to the Committee/Group.
- Info re any barriers to implementation and associated risk – explain how this will be mitigated.

Implementation plan (with timescales)		
Next steps	Timescale	Responsible officer(s)
Approval through Audit and Corporate Governance Committee	10 September 2024	Jane Matthews
Publishing of Policy on PHW internet and Finance SharePoint pages	30 September 2024	Jane Matthews
Promotion of document via pre-agreed (by All-Wales P2P Governance Group) letter to all Oracle (Financial System) users and via Finance Business Partner network to all Directorates/Divisions	30 September 2024	Jane Matthews and Finance Business Partners, Finance Division

6. Dissemination

The primary source for dissemination of this policy within the Organisation will be via the internet site following Oracle (Financial System) user-wide communication.