

Witness Name: Jonathan Irvine

Statement No: 1

Exhibits: 6

Dated: 21 May 2024

UK COVID-19 INQUIRY

WITNESS STATEMENT OF JONATHAN IRVINE

I, Jonathan Irvine, of 4-5 Charnwood Court, Heol Billingsley, Parc Nantgarw, Cardiff, CF15 7QZ will say as follows: -

Introduction

1. I am employed by NHS Wales Shared Services Partnership (NWSSP) as Director of Procurement Services. My tenure in this role and within NWSSP commenced in September 2019. Information in this witness statement which relates to matters before my employment has been provided to me by suitably experienced colleagues within NWSSP.
2. My statement relates to matters within the Provisional Outline of Scope for Covid Inquiry Module 3, namely the roles and functions of NWSSP insofar as they were relevant to the impact of the Covid-19 pandemic on healthcare systems in Wales.

NHS Wales Shared Services Partnership – Establishment, role, functions and aims.

3. NWSSP was established in November 2010 and began operating from April 2011. From 1st June 2012 the function of managing and providing shared services to the health service in Wales transferred to Velindre NHS University Trust (the Trust). The Trust's Establishment Order was amended to reflect this.

4. The Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 (S.I.2012/1261 (W.156)) (the “Shared Services Regulations”) require the Trust to establish a Shared Services Committee which is responsible for exercising the Trust’s Shared Services functions.

Shared Services Partnership Committee (SSPC) and Senior Leadership Team

5. The Shared Services Regulations prescribe the membership of the Shared Services Partnership Committee (SSPC) to ensure that all Health Boards (HBs) and Trusts in Wales have a member on the Committee and that the views of all the NHS organisations in Wales are taken into account when making decisions in respect of Shared Services activities.
6. The membership of the SSPC is 12 voting members, comprising:
 - a) the SSPC Chair;
 - b) the Chief Executives of each of the HBs and Trusts (or their nominated representatives); and
 - c) the Managing Director of Shared Services.
7. The SSPC was in place from the establishment of NWSSP and has continued to operate during the pandemic to the present day under the same operating arrangements. The only development has been the movement to virtual on-line meetings which started during the pandemic and has remained in place.
8. The SSPC Chair from establishment to April 2021 was Margaret Foster OBE. From April 2021 the Chair has been Professor Tracy Myhill OBE.
9. The Managing Director of Shared Services holds Accountable Officer status and retains overall accountability in relation to the management of NWSSP.
10. The Senior Leadership Team, led by the Managing Director, is responsible for the delivery of Shared Services in accordance with an Integrated Medium Term Plan agreed by the SSPC. The membership of our Senior Leadership Team is chosen by the Managing Director and has changed over time in order to meet the requirements of NWSSP and stakeholders.

Services provided

11. NWSSP provides a range of shared services to NHS Wales including;
 - a) Accounts Payable
 - b) All Wales Laundry Services
 - c) Audit & Assurance
 - d) Counter Fraud Services
 - e) Digital Workforce
 - f) Employment Services
 - g) Lead Employer for Medical, Dental & Pharmacy Trainees
 - h) Legal & Risk Services
 - i) Medical Examiner Services
 - j) Primary Care Services
 - k) Procurement Services
 - l) Specialist Estates Services
 - m) Student Awards
 - n) Surgical Materials Testing Laboratory
 - o) Wales Infected Blood Support Scheme
 - p) Welsh Risk Pool

Context at the outset of the pandemic

PIPP

12. At the outset of the COVID-19 pandemic and under the Pandemic Influenza Preparedness Programme (PIPP) there was an existing stockpile which included PPE, medicines and medical consumables. The PIPP stockpile had been procured by Welsh Government (WG) for health and social care. WG took the decisions on the range of products and volumes of each product held in the stockpile. A Service Level Agreement (SLA) Exhibit JI/1 [INQ000177448] was in place between NWSSP and WG which set out the roles and responsibilities of each of them in relation to the stockpile. In summary NWSSP managed the ongoing receipt and storage of PIPP products at a WG-owned warehouse location and the distribution of PIPP product when the need arises as instructed by WG.
13. Also in place at the outset of the pandemic was the EU Exit stockpile of products, some of which, gloves for example, were part of the prescribed range of PPE products. This stockpile was maintained during the early stages of the pandemic before eventually

being released in its entirety into the general stock position. The volumes required to be held were ultimately determined by WG and the stock was owned/purchased by NWSSP.

14. The WG PIPP stockpile was originally held in a warehouse at RAF St Athan until March 2018. That facility had 5300 pallet spaces, with an additional large floor space for ground level storage. In April 2018, the WG PIPP stockpile was moved to a smaller warehouse at the adjacent Picketston/Bro Tathan site, with a smaller, 3200 pallet space and minimal floor space. The volume of PIPP stock being held however remained unchanged despite the reduced storage space.
15. The PIPP stockpile was managed as per our NHS Wales BAU (Business As Usual) stock, via the Oracle Financial Management System. BAU goods include the majority of products used by HBs and Trusts but not those products which were purchased specifically for the COVID pandemic or BREXIT. The Picketston site is almost entirely temperature-controlled at ambient temperature (20 degrees Celsius). There are approximately 300 pallet spaces that are not temperature-controlled. The expiry of stock was managed upon the instructions of WG: expired stock was only disposed of on its decision and instruction. WG also made decisions and gave instruction to us for the management of date life expired stock that was not disposed of, in relation to the date life extension testing and subsequent date life extension over-labelling of the product packaging. The level of stock maintained in storage pre-pandemic was determined by WG.

Distribution of PPE to assist Covid Response

16. On 11th March 2020 NWSSP were instructed by WG officials to commence distribution of PPE to assist with the COVID pandemic response. We used the existing business as usual BAU IT and infrastructure, NWSSP Oracle Financial Management System, NWSSP warehousing network and NWSSP transport/fleet.

Expansion of PPE to Social Care Sector

17. The decision to expand PPE supply to the social care sector was taken by WG, effective from 19th March 2020. WG determined the volumes of PPE to be supplied by Procurement Services to social care and primary care settings. Procurement services have continued to supply PPE to the social care and primary care sectors and will continue to do so until 31st March 2024.

Sourcing and supply of PPE

18. With regards to PPE, we had expected to be supplied through a centrally procured UK contract that had been established by Public Health England and to which Wales had opted into the procurement arrangements from the outset. The contract was established to provide each opted in Nation/Devolved Administration with PPE products through a Just in Time (JIT) arrangement with the contractors i.e. directly from the manufacturer at the time of need. The centrally established UK JIT contracts failed and PPE products expected were not delivered by the contractors. This failure in the supply chain became clear during April 2020 whenever the anticipated delivery of JIT contracted products such as the “Valmy” respirator masks did not materialise. These failures created a situation where we had no option but to engage directly with suppliers and manufacturers in the market to source and secure delivery of the necessary products on behalf of NHS Wales. There were also discussions in and around the first week of April 2020 led by DHSC with a view to establishing a PPE Prioritisation Framework to allow for central co-ordination and supply of PPE across the UK. A central supply however did not emerge at that time which again led to the need for NHS Wales to source its own supplies of PPE products.
19. NWSSP’s main role in responding to the COVID-19 pandemic was therefore undertaken by the Procurement Services Division. Procurement Services sourced a range of goods and services required by NHS Wales on a national/All Wales basis and at a local HB and Trust level. NWSSP also provided warehousing and distribution services for a number of products (mostly PPE). The requirements for these products and services were directed by WG, HBs, Trusts and other NHS organisations including Public Health Wales. The stock levels for PPE products were consistently boosted during the early months of the pandemic to ensure resilience of supply and then, following WG instruction, to a level of 24 weeks stock in hand (based on demand at the height of the second wave). This stock position was subsequently reduced by WG to 16 weeks stock in hand later in the pandemic as part of their review and planning process for future PPE requirements.
20. The PPE products sourced, warehoused and distributed by NWSSP, following the breakdown of UK central supply and JIT contractual arrangements, were those prescribed by WG as the core range.
21. NWSSP sought to secure the required range of PPE products once, on an “All Wales” basis wherever possible, to avoid unintentional competing demands within

procurement teams across Wales. Procurement teams across Wales are co-located with HBs and also operate from a central position in relation to national procurement activity. This approach allowed aggregation of the volumes of product necessary to secure manufacturing slots and acquire any stock already manufactured on the ground.

22. Procurement Services worked on a national basis, with each team focusing on securing specific products and product ranges for central stockholding and distribution within our warehousing network. Wherever possible, staff with experience of sourcing in specific markets were aligned with the procurement of the PPE product(s) most relevant to that experience.

Triage process and quality of products

23. To verify quality, we introduced a triage process for PPE products to assess the significant number of offers from suppliers which quickly emerged at the outset of the pandemic. This triage process required the teams to assess potential new sources of supply against a range of technical and regulatory quality standards and specifications to determine the efficacy, safety and validity of the products being offered.
24. A supplier triage form was used for critical items to support the assessment and selection or rejection of suitable products and suppliers Exhibit JI/2 [INQ000438427]. This information was completed and provided by potential suppliers and assessed by teams within Procurement Services and Surgical Materials Testing Laboratory teams.
25. We were made aware of a relatively small number of issues in relation to the quality of certain PPE product deliveries received during 2021. These products were identified and isolated. The products were either replaced or subject to further communications with the supplier in relation to replacement and/or refund. Any PPE product defects such as faults in construction were recorded and the relevant supplier was instructed to provide a response detailing how the defects had occurred. These products only represented a very small proportion of the overall stock and did not impact on stock availability. Our Surgical Materials Testing Laboratory (SMTL) also assessed products and arranged for manufacturers to investigate the cause of any defects identified.
26. NWSSP provided a continuous, unbroken supply of PPE products to the agreed delivery points across Wales within NHS, social care and primary care settings.

Procurement of Field Hospital Equipment and Private Healthcare Services

27. NWSSP procurement teams were instructed by WG to take responsibility for the national sourcing of hospital equipment to support the additional surge capacity expected. We were also directly involved, at the instruction of HBs, in sourcing a wide range of equipment and other supplies for field hospitals at a number of locations across Wales.
28. NWSSP were also involved in establishing contracts with the private healthcare sector to allow HBs to free up bed capacity to support their local pandemic response. We provided procurement support to Welsh Health Specialised Services Committee (WHSSC), on behalf of WG, in contracting to secure additional independent hospital capacity for urgent surgery. We also provided procurement support to the National Collaborative Commissioning Unit (NCCU) through their liaison with WG to secure mental health, learning disability and child and adolescent mental health services beds from the private sector.

Communication

29. Extensive communication and liaison took place between NWSSP, WG, HBs and Trusts and other organisations during the pandemic. NWSSP participated in a variety of national groups established by WG during the pandemic and at which a wide range of NHS stakeholders were also involved. These groups included;
 - a) PPE Executive Leads Group (WG/HBs/Trusts/NHS Organisations/NWSSP)
 - b) Critical Equipment Requirement Engineering Team (CERET) (WG/NWSSP)
 - c) WG Countermeasures Group (WG/NWSSP)
 - d) 4 Nations Commercial Call (UKG/4 nations representatives including NWSSP)
 - e) WG Union Briefings (WG, Welsh Ambulances Services NHS Trust and NWSSP)
 - f) Strategic PPE 4 Nations Meeting (all 4 nations' governments, 4 nations' procurement representatives including NWSSP)
 - g) 4 Nations Demand & Supply (all 4 nations' governments, 4 nations procurement representatives including NWSSP)
 - h) DMET (Deputy Minister Economy and Transport) Meeting – PPE (WG, Local authorities, Industry Wales, academia, NWSSP)
 - i) NWSSP PPE Internal Review Meetings – daily, weekly including WG reporting meetings
 - j) Ventilator Distribution Briefing – Regional Leads (all 4 governments and procurement representatives including NWSSP)
 - k) Lateral Flow Testing Group (WG/NWSSP)

30. NWSSP teams also participated at a local level directly with HBs, Trusts and other NHS organisations providing procurement support and advice. Within HBs the relevant NWSSP Head of Procurement participated in the HB control and command group meetings. This was an example of a more formalised interaction between NWSSP and key stakeholders that further supported a 2-way communication of local and national procurement issues to and between the HBs/Trusts and NWSSP. At a national level the PPE Executive Leads Group was established by WG as a forum at which procurement issues relevant to PPE sourcing and distribution were discussed on a regular basis with all HBs, Trusts and NHS organisations. Many other groups both nationally and at local level required and received representation and input from NWSSP Procurement staff. In relation to PPE, a consistent, unbroken central supply of product was maintained throughout the pandemic and this was reflected in the reports provided to WG and Health Board/Trust/NHS Organisations by NWSSP on a daily and weekly basis.
31. At a national level NWSSP provided regular updates on issues relating to procurement, stock availability, and progress on sourcing products ranging from PPE to equipment required for field hospital establishment. NWSSP provided a link between WG and local authority procurement leads as the remit on supply of PPE widened to include the social care sector. NWSSP provided a daily report to the First Minister on PPE stock levels being held centrally. WG also sought our input on matters relating to the local, Welsh production of PPE products and the establishment of a working group considering manufacturing opportunities.
32. NWSSP participated in a range of national groups established by WG. In all HBs, NWSSP Procurement teams were involved in supporting the command-and-control structures implemented to respond to the pandemic.

PPE: range of products and volume of stock

33. In relation to the supply of PPE, we took direction from WG in relation to the core range of products to be made available from the centrally warehoused supply and the volume of stock to maintain for each product. A key challenge early in the pandemic was understanding demand for product so that we could establish appropriate central stockholdings. This issue was addressed through engagement initially with WG, HBs and the Welsh Local Government Association (WLGA) on behalf of local authorities. Subsequently consultants were engaged by WG to produce a demand dashboard to assist future demand modelling and reporting. NWSSP were not involved in engaging

the consultants or commissioning the consultancy, I am unaware of the date WG engaged or commissioned the consultants.

Inventory Management System StockWatch

34. During the early stages of the pandemic, many recipients of PPE stock that we supplied to both the NHS and the local authority Joint Equipment Stores (JES) locations did not have data available locally to identify how much stock they were holding on-site within their own facilities. Following a WG-commissioned report from the military, an inventory management system, StockWatch, was introduced into many of these areas. This relied on NHS and JES users to input their data but they did so sporadically and therefore the system was not accurately maintained at a number of locations. This contributed to local uncertainty over the management of PPE stocks which we delivered to these locations.

Field Hospital & Surge Facilities Support Group

35. In relation to the wider equipment requirements for field hospitals, we took direction at a local level from HBs in relation to their specific demands. At a national level, WG established the Field Hospital and Surge Facilities Support Group to co-ordinate planning for the national procurement and allocation of hospital equipment and supplies required for field hospitals and surge capacity facilities. We supported this group by procuring the required equipment on a national basis for use in these facilities across Wales.
36. In addition to PPE and Field Hospital Equipment we also purchased oximeters, continuous positive airway pressure (CPAP) devices and oxygen consumables such as facemasks and tubing on behalf of HBs and Trusts.
37. The majority of ventilators supplied to NHS Wales were allocated from a centrally led procurement undertaken by UKG and DHSC. Some additional ventilators were also purchased by NWSSP procurement teams to supplement the UK central allocation.
38. As with all products (including PPE) required during these early stages of the pandemic, demand globally was intense and manufacturing capacity struggled to meet requirements. This created pressure on the procurement teams in Procurement Services to secure products within the timescales and in the quantities required.

Post Pandemic Review and Learning

39. A report was produced by Audit Wales in April 2021; “Procuring and Supplying PPE for the COVID-19 Pandemic” Exhibit JI/3 [INQ000214235]. Within this report it was recognised that we overcame early challenges to the provision of PPE without running out of stock at a national level. The report recognised that the stockpiles of PPE were healthy and that NWSSP, alongside WG, avoided some of the issues with PPE procurement that were reported in England. The rapid sourcing of appropriate quality PPE was also recognised as a positive outcome of our activity during the pandemic. In response we have implemented a number of actions to each of the recommendations – these are referenced in the PPE Audit Recommendations Tracker Exhibit JI/4 [INQ000438424].
40. An issue highlighted within the Audit Wales report was that on some occasions NWSSP had been unable to meet the requirement to publish Contract Award Notices within 30 days due to the urgency of securing product with the procurement staff resources available. We have however rectified this matter and notices have been published where such omissions occurred.

Post Pandemic Audit

41. An audit was also undertaken and completed in October 2020 by NWSSP Audit and Assurance Services to review the financial governance arrangements during the pandemic, “Financial Governance Arrangements During the Covid-19 Pandemic – Advisory Review Final Report” Exhibit JI/5 [INQ000438421]. A number of considerations were recommended as key priorities for my organisation including a continuation of the use of trusted suppliers, a continuation of the Finance Governance Group approval process and continued recording of contracts and reasons for decisions pertaining to award.
42. WG commissioned NWSSP to produce a PPE Winter Plan Exhibit JI/6 [INQ000438422] for consideration, for the period following the first wave of the pandemic. This plan was refreshed as time progressed. The plan focussed on maintaining stockholdings of PPE as determined by WG, initially set at 24 weeks in hand and subsequently reduced by WG to 16 weeks in hand (based on demand at the height of the second wave of the pandemic).
43. Procurement Services continue to be actively involved in the management of large stocks of PPE and have not reverted to the pre-pandemic status of complete reliance on a UKG central provision of PIPP stock to meet the needs of Wales.

44. Procurement activity now centres around a new All Wales framework contract for PPE supplemented by access to NHS Supply Chain frameworks for any replenishment of PPE stock. We do not make use of JIT contracts and we continue to manage PPE stocks at the levels prescribed by WG. The price of PPE has fallen dramatically since the height of the pandemic and where replenishment of stock is required, we continue to purchase PPE with an assessment of value for money as a consideration alongside ensuring that product remains fit for purpose and properly accredited/certified.
45. Strong relationships have been established with key suppliers and where possible local supply (from within Wales) that has been a contributor to the existing stock range. Where local, Welsh supply of PPE has been established and utilised previously, these suppliers will be used for providing future requirements assuming product quality, price and volume availability considerations are also met. Local supply from within Wales or the wider UK domestic market will reduce future dependence on global supply chains.

Statement of Truth

I believe that the facts stated in this witness statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief of its truth.

Signed:

Personal Data

Dated: 21.05.24

