

**PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	12 August 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	NHS Wales Shared Services Partnership's Construction Frameworks for Swansea Bay and Hywel Dda University Health Boards (CAP-OJEU-91888)
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Executive Director of Strategy and Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Eldeg Rosser, Head of Capital Planning Julian Wheeler Jones, Discretionary Capital Projects Manager

**Pwrpas yr Adroddiad (dewiswch fel yn addas)
Purpose of the Report (select as appropriate)**

Er Sicrwydd/For Assurance

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

This report is presented to the Audit and Risk Assurance Committee (ARAC) to provide assurance on the action to review process following a recent Chair's Action Meeting to confirm the use of the Health Board Common Seal in the execution of the Bronlais Lift Shaft Repair contract document.

The Chair of ARAC requested in the meeting that a review of the Construction Framework be prepared and presented to ARAC, to provide assurance that the use of the framework and awarding of contracts is undertaken in line with Procurement Regulations and provides value for money.

Cefndir / Background

The Construction Framework was set up in 2022, as a joint framework between Swansea Bay University Health Board (UHB) and Hywel Dda UHB as a 3-year contract with a 12-month extension period.

The framework was managed and set-up by NHS Wales Shared Services Partnership (NWSSP) - Procurement and, in line with Welsh Government procurement rules, signed off by the Cabinet Secretary for Health and Social Care.

The Construction Framework was set up to embed the principles of partnering and collaborative working to modernise the NHS approach to construction projects, as well as to deliver benefits in terms of quality, time and cost. This approach also provides a flexible procurement solution when procuring construction works project, particularly at year end.

The framework can deliver construction projects up to £2m net construction work value threshold.

Work packages are divided into 4 separate framework lots according to value:

Lot 1 Minor - up to £200,000

Framework 1 – East Swansea Bay UHB

Framework 2 – Hywel Dda UHB

Lot 2 Intermediate £200,001 - £2,000,000

Framework 3 – East Swansea Bay UHB

Framework 4 – Hywel Dda UHB

Works over £2,000,000 and up to £4,000,000 are subjected to individual tender exercises and works over £4,000,001 are procured via the Designed for Life Frameworks operated by NWSSP.

Following a rigorous procurement process facilitated by NWSSP – Procurement, the following contractors were included on the Frameworks for Hywel Dda University Health Board:

Framework 2

- TRJ
- Edmunds Webster
- Lewis Construction

Framework 4

- TRJ
- John Weaver
- Lewis Construction

The framework has run successfully since early 2022 and was set up for a 3-year period with a 1-year extension. We are currently in the extension period and work has commenced on the procurement of a new framework, with the anticipation that this be available from June 2026.

Contracts are awarded on a rotational basis, with a call-off option of direct award being available subject to the supplier next on the rotation. All contracts issued are monitored utilising key contract performance indicators. NWSSP – Procurement also run annual Dunn and Bradstreet Reports on the financial viability of the contractors on the framework.

The contract for the Bronglais Lift Shaft Repair is one of the projects issued through this framework, under Construction Framework 4 West with John Weaver.

Asesiad / Assessment

Hywel Dda UHB have let 87 contracts through this framework since its inception (see Appendix 1).

The Framework was reviewed as part of the 2024/25 Capital Systems Internal Audit Review, which provided **Reasonable Assurance** when it was presented to ARAC in December 2024.

The audit objectives included:

Selection and Appointment – To ensure the appropriate application of Standing Orders, Standing Financial Instructions (SFIs), national and local procurement policies for the selection and appointment of contractors and technical advisers. To ensure the application of appropriate

competitive tender/quotation arrangements, the use of frameworks (as applicable) and the appropriateness of associated management and reporting.

Value for Money and Award – To ensure that there was an appropriate assessment of value for money (e.g. via tendering/ quotation, benchmarking etc), with formal recommendations for award. Appropriate approvals were in place, that fully considered the above and any associated limitations.

The audit sampled 10 projects and concluded the following:

Selection and Appointment

The Health Board operated a shared Construction Framework with Swansea Bay UHB which was compliant with UK/EU procurement legislation. This multi-supplier framework agreement covered provision of project and design services. All suppliers had been added to the framework following a robust and compliant tendering process. NWSSP Procurement Services, on behalf of HDUHB, establish single Call-Off Contracts and direct award is utilised for all framework agreements. In testing it was found that all contracts were direct award on rotation per the local framework, using a call off contract with single stage award via the JCT minor works or the JCT intermediate works process. A tender analysis had been undertaken for each contract including benchmarking, which mitigated the risk that the tender did not provide value for money or was inappropriately awarded from a contractor experience perspective. Challenge was observed on occasions when the tender analysis identified a higher value at tender versus market benchmarking, and a recommendation was made to revise the tender awarded accordingly.

Value for Money and Award

A Value for Money Statement is issued at each direct award from the framework highlights the following:

- *“Direct award allows for quicker procurement”*
- *“Direct award ensures transparency in the selection process”*
- *“Direct award puts the services’ needs first.”*
- *“By avoiding the need for a lengthy competitive tender process, direct award frees up resources from clinical teams, estates teams and wider that would otherwise be spent on procurement information and procedures”*

The contracts sampled all used direct award which was in line with the Health Board’s Statement of Value for Money (excerpted above). Further there was clear evidence of evaluation to ensure Value for Money, which also considered items of a qualitative nature.

A **Substantial Assurance rating** was issued for both the selection and appointment processes and the value for money and award considerations.

This outcome reflects the robust stewardship and financial control exercised by the Discretionary Capital Design Team at HDdUHB, in line with NHS Wales standards. By leveraging the direct award mechanism within an approved framework, it has been possible to streamline procurement, and reduced costs. This approach also frees up valuable clinical and estates resources, delivering measurable efficiency gains.

The Health Board is currently working with Swansea Bay UHB and NWSSP – Procurement to establish a new framework, which will be compliant with current procurement legislation; to be available from April 2026.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is requested to **TAKE ASSURANCE** that the use of the framework and awarding of contracts is undertaken in line with procurement regulations and provides value for money.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.22 The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Corporate Risk 1196 - not be able to provide safe, sustainable, accessible and kind services. This is caused by insufficient investment to ensure we have appropriate facilities, medical equipment and digital infrastructure of an appropriate standard. Score 16 Corporate Risk 1745 - of not being able to deliver safe, effective and timely services across the Health Board estate, including acute, community and mental health facilities. This risk also impacts the Health Board's nonclinical estate, educational facilities and managed practices. Risk Score 15
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	8 Estates plans
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Included within the report
Rhestr Termiau: Glossary of Terms:	Included within the report
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Not applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Capital values noted within the report. Included within individual business cases and Capital prioritisation process.
Ansawdd / Gofal Claf: Quality / Patient Care:	Included within individual business cases and capital prioritisation process.
Gweithlu: Workforce:	Included within individual business cases and capital prioritisation process.
Risg: Risk:	Risk assessment process is integral to the capital prioritisation process and the management of capital planning within HDdUHB also included within individual business cases and capital prioritisation process.
Cyfreithiol: Legal:	Included within individual business cases and capital prioritisation process.
Enw Da: Reputational:	Included within individual business cases and capital prioritisation process.
Gyfrinachedd: Privacy:	Included within individual business cases and capital prioritisation process.
Cydraddoldeb: Equality:	Equality assessments are included within individual business cases and capital prioritisation process when required.

APPENDIX 1

LOT 2 FRAMEWORK AWARD - CONTRACTOR ROTATION REGISTER < £200K			
Award	Contractor	Job Location and Brief Description	Date of Entry
Nr			
001	Lewis Construction	PPH DR Replacement	6/4/22
002	T Richard Jones	BGH JDR Residences	11/4/22
003	Edmunds Webster	GGH - DR Replacement	6/4/22
004	Lewis Construction	Penlan Retaining Wall	5/5/22
005	T Richard Jones	Hafen Derwen Solar Farm	25/5/22
006	Edmunds Webster	WGH - DR Replacement	14/4/22
007	Lewis Construction	CICC - Internal Protection Work	4/4/22
008	T Richard Jones	BGH - DR Replacement	4/4/22
009	Edmunds Webster	GGH - Neo Natal Folding Part.	3/4/22
010	Lewis Construction	PPH - Boundary Fencing	9/8/22
011	T Richard Jones	GGH - LPG Enablement	22/8/22
012	Edmunds Webster	GGH - Morlais Ward	23/8/22
013	Lewis Construction	GGH - MRI	9/9/22
014	T Richard Jones	BGH - Lift Shaft Support (surgical)	15/9/22
015	Edmunds Webster	PPH - Mammography Room Refurbishment	4/10/22
016	Lewis Construction	WGH - RAAC Planks: Potwash / Kitchens	30/10/22
017	T Richard Jones	WGH - Renal Drainage	29/11/22
018	Edmunds Webster	WGH - Internal Coms Room at Block 06	26/1/23
019	Lewis Construction	PPH Bryngolau Flooring	7/3/23
020	T Richard Jones	Fire Safety Improvements Cwm Seren / TCH	7/3/23
021	Edmunds Webster	GGH MRI Infrastructure Works	27/7/23
022	Lewis Construction	WGH RAAC: Urgent Propping & Temp Works	10/8/23
023	T Richard Jones	WGH RAAC: Urgent Demountable Ground Works	31/8/23
024	Edmunds Webster	WGH RAAC: Community Sites - TCH/SPH	17/10/23
025	Lewis Construction	GGH Dishwasher - Phases 1 to 9 & GGH Bathroom	17/11/23
026	T Richard Jones	WGH RAAC: Enablement Work	27/11/23
027	Edmunds Webster	ED Project - Phases 1 to 3 (Vending/GGH ED/Lighting)	11/12/23
028	Lewis Construction	Women & Children's Phase 2	16/1/24
029	T Richard Jones	GGH Pathology Reception - Phase 2 Fire	5/3/24
030	Edmunds Webster	EFAB A&E Improvement Works HBW	5/3/24
031	Lewis Construction	Solva	29/4/24
032	T Richard Jones	Dafen Health Integrated Centre - Unit 2A	29/4/24
033	Edmunds Webster	Pembroke County JDR - Kitchen & Bathroom Refurb	21/5/24
034	Lewis Construction	GGH Laundry Remedial Work	24/6/24
035	T Richard Jones	BGH Sterilizer Enablement Work	9/7/24
036	Edmunds Webster	GGH ED Refurbishment	13/8/24
037	Lewis Construction	GGH Microbiology Labs	21/8/24
038	T Richard Jones	PPH Garden Project	4/10/24
039	Edmunds Webster	WGH Chiller	20/2/25
040	Lewis Construction	PPH Fire Dampers	9/5/25
041	T Richard Jones	GGH Medical Photography	9/5/25
042	Edmunds Webster	BGH Endoscopy	9/5/25
043	Lewis Construction	Ty Bryn, Hafan Derwen	14/7/25

LOT 4			
Award	Contractor	Job Location and Description	Date of Entry
Nr			
001	T Richard Jones	BGH - CT Scanner	4/4/22
002	Lewis Construction	PPH - CT Scanner	6/4/22
003	John Weaver	HB Wide GP Improvements	5/4/22
004	T Richard Jones	BGH - DR/Flouroscopy	11/4/22
005	Lewis Construction	GGH Drainage Phases 3 & 4	23/6/22
006	John Weaver	PPH Fire Code Works - Phase 1	4/7/22
007	T Richard Jones	WGH Aseptics Remedial	19/8/22
008	Lewis Construction	MH&LD Bro Myrddin Refurb	26/9/22
009	John Weaver	PPH Fire Compliance	7/3/23
010	T Richard Jones	GGH Water Tank	7/3/23
011	Lewis Construction	PPH Bryngofal & Bryngolau Ward - Phases 1 & 2	7/3/23
012	John Weaver	SPH Fire Compliance	7/3/23
013	T Richard Jones	LCH Drainage & Remedial	7/3/23
014	Lewis Construction	BJC WGH BGH Aseptics - Phases 1 & 2	7/3/23
015	John Weaver	BGH POL Enlli Ward	7/3/23
016	T Richard Jones	HBW EFAB Generator Enablement	2/3/23
017	Lewis Construction	WGH RAAC: Ward 9	3/3/23
018	John Weaver	BGH Chemotherapy Day Unit	3/3/23
019	T Richard Jones	WGH RAAC: Ward 12	6/6/23
020	Lewis Construction	WGH RAAC: Ward 7	24/7/23
021	John Weaver	SARC at Aberystwyth	28/7/23
022	T Richard Jones	WGH RAAC: Ward 10	31/7/23
023	Lewis Construction	WGH RAAC: Wards 8	4/8/23
024	John Weaver	PPH Fire Code Works - Phase 2	4/8/23
025	T Richard Jones	WGH RAAC: Ward 11	4/8/23
026	Lewis Construction	WGH RAAC: G/F OPD A & Main Kitchens	6/8/23
027	John Weaver	BGH X-Ray Replacement Project	12/10/23
028	T Richard Jones	WGH RAAC: Ground Floor - other areas	12/10/23
029	Lewis Construction	TCH & BGH A&E Replacement Projects - Phases 1 & 2	12/10/23
030	John Weaver	EFAB POL Project - St Caradog's	5/12/23
031	T Richard Jones	WGH RAAC: OPD B, Main Corridor & SDEC	5/12/23
032	Lewis Construction	WGH RAAC: Physio, North/South Corridors & Pharmacy	5/12/23
033	John Weaver	EFAB POL Project	22/4/24
034	T Richard Jones	WG Picton Terrace Office Facility	22/4/24
035	Lewis Construction	WGH RAAC: OPD A Flat Roof & Plant Room (Tender 4)	1/5/24
036	John Weaver	BGH Roof Replacement Projects	14/5/24
037	T Richard Jones	24/25 Imaging Project at Fluro & DR WGH	4/7/24
038	Lewis Construction	24/25 Imaging Project at MRI PPH & GGH MRI	4/7/24
039	John Weaver	Cwm Seren Fire Code Works	9/7/24
040	T Richard Jones	GGH Roof Replacement - Phases 1 & 2	9/7/24
041	Lewis Construction	MH&LD Ty Bryn, Cwm Seren & St Non's - Phases 1 to 4	10/7/24
042	John Weaver	EFAB 3 - PPH Fire Code Works - Phase 3	9/12/24

043	T Richard Jones	BGH Lift Shaft Repairs	10/12/24
044	Lewis Construction	WGH Aseptics Project - Phases 3 & 4	13/12/24
045	John Weaver	Meurig Fire Stopping	13/12/24
046	T Richard Jones	Emergency Generators - Phases 1 to 4 (HBW)	13/12/24
047	Lewis Construction	Window Replacement HBW	9/5/25
048	John Weaver	PPH Chiller & UPS - Phases 1 & 2	9/5/25
049	T Richard Jones	Decarbonisation Projects at PPH - Phases 1 & 2	9/5/25
050	Lewis Construction	WGH Remedial Works to Main Elevations	19/5/25
051	John Weaver	GGH Front of House Scheme	20/5/25
052	T Richard Jones	WGH Puffin Ward - Paediatrics OPD Facility	21/5/25
053	Lewis Construction	Cwm Seren (PICU)	21/7/25