



**PWYLLGOR CYLLID A PHERFFORMIAD
FINANCE AND PERFORMANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 June 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Procurement Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas – Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Gemma Deverill – Deputy Head of Procurement

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

The purpose of this report is to inform Members of the outcome of the procurement exercises which have been undertaken on behalf of Hywel Dda University Health Board (HDdUHB):

1. All Wales Fresh Non-Prepared & Prepared Fruit, Vegetables and Salad

In line with Welsh Government approval procedures, the Health Board is required to approve the following new contracts, as they have each have a cumulative contract value in excess of £1m over the term of the contract for HDdUHB.

Cefndir / Background

1. All Wales Fresh Non-Prepared & Prepared Fruit, Vegetables and Salad

Proposed Outcome

Duration of Contract	Proposed Supplier (s)	Current Annual Local Contract Value	Proposed Annual Value of New Contract	Proposed Total Value of New Contract (including extension option)
01/01/2026–31/12/2028 with an option to extend for a further twelve (12) months to 31 December 2029.	Lot One: Dole Food Service Lot Two: WR Bishop	£261,649.52 ex VAT	£225,708.49 ex VAT	£902,833.96 ex VAT

Asesiad / Assessment

The fruit and vegetable markets are driven by weather conditions, which determine crop production and subsequent yields. Supply and demand, coupled with availability of products, particularly during peak season, can have an impact on the feasibility of supplying all products, and have an impact on price management. Over the course of the current contracts, the most impacted product type has been potatoes, which has seen both quality and price fluctuations more widely and frequently.

The contract includes a variety of fresh and prepared fruit and vegetable products for the purpose of patient feeding and/or Health Board/Trust income generation, provided via direct supply.

The proposed contract was published via OJEU Ref: 20241112-000008 (2024/S 000-036579) following the Open Procedure. The tender utilised existing supply routes while using a regional approach to the lot split, which saw the contract split by north and south. However, following engagement with the market at planning stage, NHS Wales Shared Service Partnership (NWSSP) sought to split Hywel Dda UHB and Powys THB across both lots, due to numerous suppliers noting difficulty in supplying the regions fully.

The Health Board division for HDdUHB is outlined below:

Lot #	Health Board	Sites Included
1	Hywel Dda UHB	Bronglais General Hospital, Tregaron Community Hospital
2	Hywel Dda UHB	Llandovery Hospital, Amman Valley Hospital, Prince Philip Hospital, Glamorgan General Hospital, Withybush General Hospital, South Pembrokeshire Hospital, Hafan Derwen Hospital

All bids were evaluated in accordance with the award criteria and scoring methodology published within the tender documentation. A project group comprising of Catering, Facilities, Hotel Services, and Dietetic managers from across NHS Wales undertook the Technical and Quality evaluation. The individual scores from the project group were moderated at a group meeting which established a consensus score. This group also contributed to the productions of the product specification and supplementary terms and conditions.

NWSSP conducted a benchmarking exercise to support the outcome of the procurement process. It provided a final sense-check of this contract's value compared to other UK public sector organisations. The approach involved benchmarking NHS Wales' proposed prices against the lowest and average line-item prices provided by NHS Scotland and NHS Northern Ireland.

Summary of Findings:

- Lot 1 - Mid and North Wales pricing is competitive, with a high percentage of line-items reviewed being priced below the median(average) from Scotland and Northern Ireland.

- Lot 2 - Mid and South Wales pricing also compares favourably, with a high percentage of items falling at or below the average pricing of Scotland and Northern Ireland.
- Several items are within a close range of the lowest prices, indicating strong value.
- A limited number of higher-priced items were noted.

This benchmarking exercise reinforces the conclusion that NHS Wales proposed pricing is competitive and appropriate in the context of wider UK public sector procurement activity. The findings support the robustness of the evaluated outcome and confirm alignment with the market. Furthermore, the outcome of this process has generated a cash releasing saving for all Health Boards and Trusts, thus ensuring competitive value for NHS Wales.

It is proposed that the below Lots be awarded to the corresponding bidders:

Lot	Sites Included	Proposed Winning Bidder	Proposed Annual Saving
1	Bronglais General Hospital, Tregaron Community Hospital	Dole Food Service	£1,404.95
2	Llandovery Hospital, Amman Valley Hospital, Prince Philip Hospital, Glangwili General Hospital, Withybush General Hospital, South Pembrokeshire Hospital, Hafan Derwen Hospital	WR Bishop	£34,536.08

Argymhelliad / Recommendation

The Finance and Performance Committee (FPC) is asked to scrutinise and recommend for Board to:

- **APPROVE** the award of Fresh Non-Prepared and Prepared Fruit, Vegetables and Salad to the above providers for the period 1 January 2026 to 31 December 2028, with an option to extend for a further twelve (12) months. This contract will have onwards submission to Hywel Dda Public Board and Velindre NHS Trust (as hosts of NHS Wales Shared Services Partnership).

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.1.9 Conduct detailed scrutiny of all aspects of financial performance, the financial implications of significant revenue expenditure (all those over £1million requiring Board approval), business cases (except those that are capital and digital in
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	nature), projects, and proposed investment decisions on behalf of the Board. 3.1.10 Scrutinise major procurements plans and tenders, and provide assurance to the Board as part of its approval process.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	9. All HDdUHB Well-being Objectives apply

Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	Not Applicable
Rhestr Termiau: Glossary of Terms:	Contained within the body of the report.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	Not Applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)

Ariannol / Gwerth am Arian: Financial / Service:	Not Applicable
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Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Not Applicable
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Not Applicable
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable