

**MINUTES OF THE EXTRAORDINARY  
SUSTAINABLE RESOURCES COMMITTEE MEETING**

**DATE OF MEETING:** 9:15 AM, Thursday 14 November 2024  
**VENUE:** Microsoft Teams Meeting

**PRESENT:** Winston Weir (Hywel Dda UHB - Independent Board Member) (Chair) (VC)  
Michael Imperato (Hywel Dda UHB - Independent Board Member) (VC)  
Eleanor Marks (Hywel Dda UHB - HDUHB Vice Chair) (VC)

**IN ATTENDANCE:** Craig Baker (Hywel Dda UHB - Cellular Pathology Service Manager) (VC) (part)  
Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer) (VC) (part)  
Janice Cole-Williams (Hywel Dda UHB - Assistant Director of Nursing) (VC)  
Andrew Spratt (Hywel Dda UHB - Deputy Director of Finance) (VC)  
Huw Thomas (Hywel Dda UHB - Director of Finance) (VC)  
Jennifer Thomas (Hywel Dda UHB - Senior Finance Business Partner (Accounting & Statutory and Reporting)) (VC)  
Anthony Tracey (Hywel Dda UHB - Digital Director) (VC)  
Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary) (VC)  
John Jenkins (Hywel Dda UHB - Committee Services Officer) (VC) (Secretariat)

<b>MINUTES REF.</b>	<b>ITEM</b>	<b>ACTION</b>
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<b>SRC(24)135</b>	<b>WELCOME AND APOLOGIES</b>	
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Mr Winston Weir welcomed all to the Sustainable Resources Committee (SRC) meeting.

Apologies had been received from:

- Mr Maynard Davies
- Mrs Delyth Raynsford
- Mrs Sharon Daniel (Mrs Janice Cole-Williams Deputising)
- Mr Lee Davies
- Mr Mark Henwood
- Mr James Severs

<b>SRC(24)136</b>	<b>DECLARATION OF INTERESTS</b>	
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**SRC(24)138:** Mr Michael Imperato declared that he had participated in the initial shortlisting process of the Digital Transformation Strategic Partner, however this was in the early stages and was not material to SRC's decision making processes.

**DIGITAL CELLULAR PATHOLOGY BUSINESS  
JUSTIFICATION CASE**

Mr Craig Baker presented the Digital Cellular Pathology Business Justification Case to the Committee and advised that the project was part of a national project that was being progressed by individual Health Boards.. Mr Baker believed that the implementation of a digital cellular pathology system and the use of artificial intelligence (AI) was a transformative project that would enable the Health Board to recruit strategically into the pathology network. Furthermore. work undertaken by Health Boards in England who have recruited into long-standing pathology vacant posts through recruiting to substantive pathology posts from individuals based overseas was highlighted.

Mr Baker highlighted the ability of the proposed system to enable regional collaboration to connect with specialist pathologist professionals based globally to enable quick referrals and diagnostics to improve turn-around times for diagnostics to improve the patient experience. Mr Baker advised that the system provided a "second set of eyes" for cancer detection and was not a replacement for a consultant however provided increased sensitivity and specificity that enabled the Health Board to mitigate the cost of utilising high-cost locums to undertake the work.

Mr Anthony Tracey believed that the proposed system was transformative in the use of AI and would enable Hywel Dda University Health Board (HDdUHB) to be a case study in the use of utilising AI in a clinical environment.

In response to a question from Mr Weir on the savings realised by the implementation of the digital cellular pathology solution, Mr Huw Thomas advised that the proposed system would release a potential £502k of savings through the reduction in the reliance on high-cost locums as potential recruits to substantive positions within HDdUHB in addition to reducing reliance on other Health Boards for specialist support and the provision of an out-of-hours service.

Mr Thomas believed that the potential cumulative benefit of the proposed digital solution of £502k was complimented by the support of providing a more sustainable and less fragile service that would release the cash savings to make the implementation of the scheme cost-effective to the Health Board. In response to a question from Mr Weir on whether the proposed scheme would result in a break-even cost for the Health Board, Mr Thomas believed that the scheme would result in a saving through the reduction in reliance on high-cost locum staffing and future-proofed the Health Board against future cost pressures from high-cost locums who were able to command a premium due to shortage of availability.

In response to a question from Mr Weir on whether the proposed solution would result in savings through the elimination of the need for medical equipment such as microscopes, Mr Baker advised that pathologists currently graduating from the Royal College of Pathologists are trained in digital working and able to work digitally on high-definition digital screens as opposed to microscopes.

In response to a question from Mrs Eleanor Marks on the options considered as part of the process, Mr Thomas advised that the scheme was an All-Wales process that promoted regional interoperability and regional working with the specific supplier of the digital solution subject to the further procurement process of the Health Board.

*Mr Andrew Carruthers joined the meeting*

In response to a query from Mr Andrew Spratt on the expectation of the Board not to receive any additional funding requests, Mr Thomas agreed that that report that would be presented to Board on 28 November 2024 would clearly articulate the cash-releasing savings benefits of the proposed scheme to offset the costs of implementing the scheme. Mrs Joanne Wilson advised that additional information was required in the report being presented to Board to include further details of the risk of not making the investment in the proposed digital solution.

HT/CB

In response to a question from Mr Imperato on the cost-neutrality of the scheme, Mr Thomas advised that it was envisaged that the scheme would be to realise savings from Year 2 of the scheme with the scheme becoming cost-neutral over the course of the project.

In response to a question from Mrs Marks regarding the ability to scheme to assist with recruitment, Mr Baker advised that the solution would enable the Health Board to access specialities not presently available to the Health Board and gave the example of the ability to connect with the All-Wales Lymphoma Panel based within Swansea Bay University Health Board (SBUHB) and believed that the prevalence of general pathology was decreasing with a greater focus on specialities and with the large number of specialist areas of pathology it was not possible for any one Health Board to recruit into all specialities however the proposed digital solution would enable the Health Boards to access speciality pathologists globally.

*Mr Craig Baker left the meeting*

**Decision:** The Sustainable Resources Committee:

- **SCRUTINISED** and **RECOMMEND** for onward approval to the Board, that approval is given to undertake full procurement of a Digital Cellular Pathology solution and provide a commitment to provide funding of approximately £500,000 per annum. This cost will be offset by savings

achieved through productivity and efficiency increases realised through the systems implementation, providing a cost neutral solution to the Health Board.

**SRC(24)138**

## **DIGITAL TRANSFORMATION STRATEGIC PARTNER**

Mr Anthony Tracey presented the Digital Transformation Strategic Partner paper and recommend the award of a digital transformation strategic partner for the Health Board to deliver its digital strategy to provide an integrated health and social care service supported by digital technology to provide digitally-connected patient pathways for the Health Board's population, to enable digitally-enabled ways of working for the Health Board's workforce and to allow patients and the Health Board's population to access services through a 'digital front door' to empower citizens' health and well-being.

Mr Tracey believed that historically, the Health Board had experienced challenges relating to the pace of delivery of digital solutions and capacity within the Health Board's Digital Team and felt that the appointment of a Digital Transformation Strategic Partner would provide the support to the Health Board to improve its pace and digital services delivery capabilities.

Mr Tracey detailed the robust tendering process that the Health Board had undertaken since the issuing of a pre-qualification questionnaire (PQQ) in April 2024 that resulted in 17 bidders submitting a bid to the Health Board that was shortlisted to 5 bidders who received an invitation to tender (ITT). Following a tender evaluation on 2 September 2024, the five bidders was further reduced to three suppliers invited to the interview stage of the procurement. Following the evaluation of the presentation and interviews, the panel re-examined their scoring to assure themselves that the initial scoring was consistent based on the presentation and interview responses. The Evaluation Team recommended that the contract should be awarded to CGI IT UK LTD.

Mr Tracey advised that the award was a "zero contract" with any work submitted to the digital transformation strategic partner subject to business case scrutiny by the Health Board's governance process with the award being a commitment to have a working relationship with a digital transformation strategic partner for any future digital schemes.

In response to a question from Mr Weir regarding the post-PQQ evaluation, Mr Tracey advised that the technical and financial cases of the potential suppliers was considered with two suppliers having a similar technical and value-based offering to the Health Board with the preferred supplier offering a stronger financial package with all three of the final suppliers considered appointable with a clear preference for the recommended supplier following the robust tendering process. Mr Thomas believed that

further detail on the selection of the recommended supplier was needed in the report to be presented to Board on 28 November 2024.

HT/AT

In response to a question of the annual limit of the cost of schemes from Mrs Marks, Mr Tracey advised that the cap was £75m over 10 years equating to a £7.5m a year maximum. Mr Thomas believed that the £7.5m a year maximum was at a sufficient level to allow the Health Board to have the flexibility to use the strategic digital partner to procure the digital systems in addition to implementation but believed that the Health Board would test the market for individual schemes itself. Mr Thomas believed that there was additional opportunity to support other Health Boards in a regional context to access the HDdUHB contract with the £7.5m annual limit allowing for the flexibility to enable such support to be provided to an external partner.

Mr Thomas advised that each individual work order places through the digital transformation strategic partner contract would require individual scrutiny with a business case that is either self-funding or has a clear route to funding through Welsh Government (WG) or a commercial funding arrangement with individual discipline necessary for each individual scheme.

In response to clarification on the governance process from Mrs Joanne Wilson, Mr Thomas confirmed that given the value of the contract exceeded £1m, any decision to approve the award of the contract would require onward ratification from WG. Mr Thomas advised that WG had been made aware of the proposed course of action by HDdUHB to award a digital transformation strategic partner.

In response to a question on the process for onward scrutiny of each individual work stream, Mr Thomas advised that under the existing Board Committee structure initial scrutiny would be provided by the Digital Oversight Group ahead of consideration by SRC. Mrs Wilson confirmed that a revised governance structure was currently being considered with the intention of providing greater oversight and scrutiny of Digital with a specific route for scrutiny of digital schemes.

Mrs Wilson highlighted the lack of detail on the risk considerations contained within the report. Mr Tracey agreed to provide additional information contained within the 'risk' section of the report to be presented to Board on 28 November 2024. Mr Thomas advised that the report would also contain further information on the decision to select a preferred supplier in addition to information relating to the governance oversight of future individual workstreams appointed through the digital transformation strategic partner.

AT

In response to a question from Mr Weir on whether any other Health Board's in Wales had considered a similar approach to appointing a digital transformation strategic partner to progress their digital strategy, Mr Thomas advised that HDdUHB were the

first in Wales to consider such an approach and advised that the Health Board would be observed by other Health Boards and WG to evaluate the effectiveness of such an approach. Mr Thomas advised that the preferred supplier was also the digital partner of one of the Health Board's constituent Local Authorities giving the potential to develop the first integrated health and social care digital system in the United Kingdom.

**Decision:** The Sustainable Resources Committee:

- **RECEIVED ASSURANCE** that a robust process was undertaken.
- **RECOMMEND** that the Board approve the contract be award to CGI IT UK LTD.

SRC(24)139

## PROCUREMENT REPORT

Mr Thomas presented the Procurement Report to the Committee and advised that approval was sought for three tenders. Mr Thomas advised that all three were All-Wales ratifications each with an individual impact in excess of £1m to the Health Board that would require onward submission to WG pending Board approval.

The three tenders submitted for approval were:

- All-Wales Framework for Audiology Products
- All-Wales Framework for Sterilisation and Decontamination
- All-Wales General Waste and Recycling Services

Mr Thomas advised that discussion had undertaken with NHS Wales Shared Services Partnership (NWSSP) in relation to the All-Wales General Waste and Recycling Services contract to strengthen its consideration of the foundation economy.

There were no questions from members of the Committee.

**Decision:** The Sustainable Resources Committee scrutinise and recommend for Board to:

- **APPROVE** the award of the All-Wales Framework for Audiology Products, 1 January 2025 to 31 December 2028, with an option to extend for a further two years. This contract will have onwards submission to Velindre NHS Trust (as hosts of NHS Wales Shared Services Partnership) and Welsh Government for approval.
- **APPROVE** the award of the All-Wales Framework for Sterilisation and Decontamination, 1 December 2024 to 30 November 2027, with an option to extend for a further two years. This contract will have onwards submission to Velindre NHS Trust (as hosts of NHS Wales Shared Services Partnership) and Welsh Government for approval.

- **APPROVE** the award of the All-Wales Contract for General Waste and Recycling Services, 1 April 2025 to 31 March 2028, with an option to extend for a further two years. This contract will have onwards submission to Velindre NHS Trust (as hosts of NHS Wales Shared Services Partnership) and Welsh Government for approval.

**SRC(24)140**

**DATE OF NEXT MEETING**

Tuesday 17 December 2024; 09:30 - 12:30

UNAPPROVED