



PWYLLGOR ADNODDAU CYNALIADWY SUSTAINABLE RESOURCES COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	21 December 2021
TEITL YR ADRODDIAD: TITLE OF REPORT:	Financial Procedures
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Director of Finance

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

Each year, planned reviews are undertaken of the financial procedures operated by Hywel Dda University Health Board (HDdUHB). The procedures, which set out the main financial system controls, are reviewed in terms of:

- Relevance
- Best practice
- Audit recommendations
- System change
- Health Board policy

A proposal for review was presented to the Finance Committee in February 2021.

Cefndir / Background

The following procedures have been reviewed and are presented to the Sustainable Resources Committee for approval:

- 06/01 Purchase to Pay Procedures, attached at Appendix 1
- 06/05 Construction Industry Scheme, attached at Appendix 2
- 10/05 Identification and Charging for Overseas Visitors for NHS Treatment, attached at Appendix 3
- 10/06 Treatment of Private Patients, Control of Admission and Collection of Income, attached at Appendix 4
- 11/05 Property Found on Hywel Dda Premises, attached at Appendix 5
- 16/02 Provision of Hospitality, attached at Appendix 6
- 699 Single Tender Action, attached at Appendix 7
- 07/04: Request to remove 07/04 Pensions Procedure as this is not a financial procedure within Finance

A review has been undertaken to identify all financial procedures which have either imminent expiry dates or exceeded their original review date and require an extension in order to allow time for a full review to be undertaken. A 6 month extension to the review dates of the following financial procedures are requested. Assurance has been provided by the lead author that the documents remain fit for purpose during the extension period.

Ref	Title/link	Original Review date
095	Sponsorship by the private sector	01/04/2010
068	Payment of Pharmacy Invoices	01/010/2012
070	Hospital Travel Cost Scheme	01/10/2012
072	Submission Of Information to Payroll	15/03/2021

Asesiad / Assessment

Purchase to Pay

This procedure is an amalgamation of several procedures. The procedure encompasses all aspects of the Purchase to Pay scheme and covers all areas such as payment to creditors, the purchasing card procedure, requisitioning, ordering and the receipt of goods, supplies and services and the no purchase order no payment procedure within the NHS Wales. The aim is to ensure that all goods and services for the Health Board are ordered appropriately and are supported by the requisite documentation. It also ensures that payment is made in line with the Standing Financial Instructions.

Construction Industry Scheme

Under the Construction Industry Scheme (CIS), HDdUHB is deemed to be a CIS Contractor and must therefore abide by the CIS scheme. This requires the HDdUHB to withhold amounts from payment made to suppliers of construction works and pay this amount directly to HMRC as an advance payment of tax. This scheme is aimed at reducing tax evasion. As a CIS contractor, this financial procedure sets out the procedures that must be abided by and followed by HDdUHB when contracting for, and making payments under contracts, which include construction operations.

Identification and Charging for Overseas Visitors for NHS Treatment

This financial procedure intends to provide an overview of how all Health Board staff have a statutory duty to identify any overseas visitor accessing HDdUHB services in order for the cost of treatment to be recovered.

Treatment of Private Patients

This procedure states the private practice arrangements that are to be operated within HDdUHB. The procedure aims to enable ways to provide identification of all private patients receiving treatment and ensure that there is clarity on issues regarding charges and tariffs.

Property Found on Hywel Dda Premises

This procedure aims to provide clarity on the process to be followed should any money, valuables or other chattels that have been found on HDdUHB premises.

Provision of Hospitality

This procedure outlines the principles that apply to the provision of hospitality by HDdUHB to both employees and non-employees. Hospitality for the benefit of this procedure relates to food, drink, other refreshments and services for the purpose of satisfying the basic needs of the recipient whilst on HDdUHB business.

Single Tender Action (STA)

This procedure has been revised due to internal audit recommendations to simplify the process regarding STA and clarity over STA approval. Internal Audit has reviewed the revisions and are assured that the audit recommendations have been met.

Pensions

This procedure relates to the NHS pension scheme and associated pension matters, such as an employee's right to benefits. This is a payroll procedure, rather than a financial procedure.

Equality impact assessments are currently being undertaken in respect of all procedures detailed above for approval and will be made available with the relevant procedures once approved.

Argymhelliad / Recommendation

The Sustainable Resources Committee is requested to approve the following financial procedures:

- 06-01 Purchase to Pay Procedures
- 06-05 Construction Industry Scheme
- 10-05 Identification and Charging for overseas visitors for NHS treatment
- 10-06 Treatment of private patients
- 11-05 Property found on Hywel Dda premises
- 16-02 Provision of hospitality
- 699 Single tender action

The Committee is requested to approve the removal of 07/04 Pensions Provision as this is not a financial procedure within Finance.

The Committee is requested to approve the extension to the review date of the following 4 financial procedures for a period of six months whilst the review process is finalised.

- 096 - Sponsorship by the private sector
- 068 – payment of pharmacy invoices
- 070 – Hospital travel cost scheme
- 072 – Submission of information to payroll

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	5.7 Review and approve financial procedure on behalf of the Health Board.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability 7. Staff and Resources

Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	8. Transform our communities through collaboration with people, communities and partners

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Previous procedures, internal audit report recommendations, standing financial instructions
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	HDdUHB Finance Team HDdUHB Management Team HDdUHB Charitable Funds Committee NHS Wales Shared Services Partnership (NWSSP)

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report
Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Financial risks are detailed in the report
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Financial procedures are required to ensure good governance and sound financial control
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	EQiA has been undertaken with no negative impacts on those with protected characteristics Changes to the majority of financial policies and procedures to date have been assessed as having a low relevance to equality duties and have been mainly in relation to systems and responsibilities with no direct or indirect impact on individuals in relation to equality, diversity or human rights.

	Where policies and procedures have a more direct impact on patients, staff and service users in relation to their protected characteristics, e.g. those addressing the handling of patient's monies, etc, more detailed EqlAs have been undertaken and are published alongside the relevant document.
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GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

FP 06/01

Purchase to Pay Procedures

Policy Number:	FP06/01	Classification			Financial	
Supersedes	FP06/01, 06/07, 14/01, 730					
LOCSSIP reference:		NATSSIPS Standards	List standard (NATSSIPS Standards)			
Version No	Date of EqIA:	Approved by:		Date of Approval:	Date made Active:	Review Date:
V1		Sustainable Resource Committee				

Brief Summary of Document:	This document is one of a series of financial procedures providing clear process to be followed
Scope:	Hywel Dda University Health Board wide
To be read in conjunction with:	Standing Orders Standing Financial Instructions Purchase Order Compliance Policy Other Financial Procedures

Owning Committee/ Group	Finance Directorate
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HYWEL DDA UNIVERSITY HEALTH BOARD

Executive Director:	Huw Thomas	Job Title	Director of Finance
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Reviews and updates		
Version no:	Summary of Amendments:	Date Approved:
1	New Procedure	

Glossary of terms

Term	Definition

Keywords	
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FRAUD, BRIBERY AND CORRUPTION

All staff are required to comply with the Health Boards policies and procedures and apply best practice in order to prevent Fraud, Bribery and Corruption. Staff should be made aware of their own responsibilities in protecting the Health Board from these crimes.

All staff have a duty to notify the Local Counter Fraud Department of any suspected fraud or inappropriate actions and are protected by the AW Raising Concerns (Whistleblowing) Policy. Anyone who suspects fraud or has any concerns reference Fraud Bribery and Corruption can make a referral by contacting the Counter Fraud Department by either of the following methods;

- Telephoning the office on 01267 248627,
- Emailing H DUHB.CounterFraudTeam.HDD@wales.nhs.uk ,
- Making an online referral at <https://reportfraud.cfa.nhs.uk> or
- Making an anonymous referral by telephoning Crimestoppers on 0800 028 40 60.

Staff should refer to the Counter Fraud, Bribery and Corruption Policy for further information.

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1. INTRODUCTION

This procedure is to cover all aspects of Purchase to Pay which encompasses all areas relating to requisitioning, ordering and receipt of supplies, goods and services, payment to creditors, Purchasing Card, and the No Purchase Order No Pay policy for NHS Wales.

2. SCOPE

This procedure is Hywel Dda University Health Board wide, mainly affecting the below:

- **Requisitioners**
Those staff that process requisitions for goods and services
- **Approvers/Budget Holders**
Those staff that approve requisitions for goods and services
- **Staff that Receive Goods/Services**
Those staff that indicate within the Oracle or other ordering systems that the goods/services ordered have been received.
- **Procurement Staff**
All staff in the Procurement department.
- **Accounts Payable Staff**
All staff involved in the invoice payment process.
- **Finance Departments**
All staff involved in financial management

3. AIM

The aim of this document is to ensure that all goods and services for the Health Board are ordered appropriately and are supported by the relevant documentation; and payment is made in line with Standing Financial Instructions. This will ensure that there is efficient control of costs and that payment is made correctly within deadlines and to satisfy audit requirements and to reduce the risk of fraud.

4. ALL WALES NO PURCHASE ORDER NO PAY POLICY

4.1 Overview

The P2P - the Procure to Pay process – encompasses the end-to-end process from sourcing goods and services through to delivery and receipt of goods and payment to the supplier. A No PO/No Pay policy is where invoices arriving in the system without an order number are to be returned to the supplier unpaid. The supplier will then be 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.

4.2 Policy Statement

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.

4.3 Aims/Purpose

To ensure:

- That all goods and services are ordered appropriately and are supported by official Purchase Orders in line with UHB Standing Financial Instructions.
- Efficient processes are put in place so that goods are delivered when required.
- Control costs - in respect of:
 - All non-pay expenditure incurred by the Health Board is valid and appropriately authorised in advance of the goods/services being received.
 - Minimising transactional costs associated with payment for goods.
 - Invoices to suppliers are paid within deadlines set by Welsh Government requirements.
 - Financial incentives for early payment offered by suppliers are maximised.

4.4 Objectives

This policy ensures that NHS Wales only pays for goods, services, and works which have been properly ordered and authorised in accordance with the NHS Wales Procurement rules and Standing Financial Instructions **BEFORE** receiving an invoice (**see APPENDIX 1 All Wales Procurement Manual which is a step-by-step guide for the full end to end Procurement process**). It also ensures invoices received by the NHS Wales Accounts Payable teams can be processed efficiently to minimise delay to suppliers and contractors. Invoices received by the NHS Wales Accounts Payable Team without a valid PO number will severely delay payment to the suppliers. Successful adoption of this policy will lead to the following benefits:

- Better control environment – the right people authorising, in advance of expenditure being incurred.
- Catalogue compliance will be improved leading to less off catalogue purchasing and lead to revenue savings.
- More comprehensive procurement intelligence is captured through the system about what and where goods and services are purchased allowing for better sourcing decisions.

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- Costs are more accurately accrued by the system reducing management accounting and Accounts Payable (AP) team workload.
- Public Sector Payment Policy compliance will improve because process times reduce.
- Early payment discounts can be maximised.
- Overall processing costs in NWSSP P2P will reduce releasing resources for NHS Wales.

4.5 Roles and Responsibilities

4.5.1 All Staff with Responsibility for Ordering

It is the responsibility of all staff, designated under the local scheme of delegation, that order goods and services to ensure that a Purchase Order number is provided to a supplier in advance of the goods or services being supplied.

4.5.2 Requisitioners

All staff that raise requisitions for goods and services must ensure a Purchase Order number is provided to a supplier in advance of the goods or services being supplied.

4.5.3 Requisition Approvers/Budget Holders

All managers and budget holders designated to approve requisitions for goods and services must ensure a Purchase Order number is provided to a supplier in advance of the goods or services being supplied.

4.5.4 Staff That 'Receipt' Goods and Services

All staff that work in central stores, receipt and distribution points and local departments where goods are delivered, or services are received must ensure that the Purchase Order is marked as 'received' as soon as possible within the Oracle system but no later than within 2 working days of the delivery of goods or provision of the service.

4.5.5 Procurement Staff

All staff working within NWSSP Procurement Services must ensure that this policy is adopted and adhered to by all staff and that operational procedures for supporting the No PO/No Pay Policy are observed at all times.

4.5.6 Accounts Payable Staff

All staff that process the payment of invoices within NWSSP Accounts payable must ensure that no invoice is paid (*unless it is identified as an exception in Appendix 2*) if a Purchase Order number is not quoted on the invoice. All invoices received with no Purchase Order number must be recorded within the Oracle system and the supplier notified in accordance with the communications shown in Section 8.

4.5.7 Finance Staff

Senior Finance and procurement staff must lead the implementation of this policy within their respective organisation. All Finance staff must be aware of this policy and promote it in relevant discussions with budget holders. Finance staff must ensure there are processes in place to capture data on invoices received but unpaid that have no Purchase Order so that expenditure is accrued on the assumption that the invoice will eventually be paid.

All Health Board staff involved in the procurement process must submit relevant declarations of interests. Where a conflict does exist, staff must adhere to sections 5.5 to 5.7 of the Health Boards Standards of Behaviours Policy and where applicable remove themselves from the procurement of the requisition concerned.

4.6 NO PURCHASE ORDER NO PAY

4.6.1 How does No PO/No Pay Work?

No PO/No Pay works by requiring all invoices submitted by suppliers and contractors to contain an official PO number. In all but agreed exceptional circumstances the PO number will be:

- Generated from NHS Wales Oracle Ordering system
- Generated from other local ordering systems e.g., pharmacy
- Given to the supplier or contractor BEFORE making any commitment to spend NHS Wales's monies.
- There are a number of categories of expenditure that are excluded from the policy which are shown in **Appendix 2**.

Any invoice received by the Accounts Payable Team that does not quote a valid PO number will delay its processing and approval which could result in severe delays to supplier invoice payment unless covered by an exception shown in Appendix 2. Exceptions will be reviewed and amended from time to time and users notified of the amendments accordingly.

4.6.2 What constitutes a Valid PO?

All suppliers will be notified by NHS Wales Procurement Services as part of the implementation of the No PO/No Pay Policy that they must not, under any circumstances, accept any verbal or written order from NHS staff unless a valid PO number is given or there is an agreed exception as set out in Appendix 2.

Any invoice received that does not quote a valid PO number will be subject to a non-compliance escalation procedure as detailed below.

4.6.3 What is a Valid PO number?

Valid PO's are Purchase Orders from NHS Wales ordering systems which are the following:

- **Oracle Financial and Procurement System** - Oracle is the standard financial system used by NHS UHB's in Wales.
- **Oracle via Basware** - This is an electronic exchange linked to Oracle for the electronic transmission of purchase orders.
- **Oracle EBS via GHX** - This is an electronic exchange linked to Oracle for the electronic transmission of purchase orders.
- The Pharmacy system (*Wellsky*) used for generating pharmaceutical orders.

4.6.4 Submission of invoice

The Purchase Order will confirm which address invoices need to be submitted for payment. Some invoices will be submitted through the electronic exchanges or via the OCR process.

4.6.5 Public Sector Payment Policy (PSPP)

Provided a supplier has quoted a valid Purchase Order number which has been obtained in advance of supply, NHS Wales commits to paying invoices in line with the Public Sector Payment Policy i.e., within 30 days from receipt of a valid invoice (*not the invoice date*), or receipt of the goods or service, whichever is later. Details of the PSPP compliance to pay invoices within 30 days is reported to Welsh Government on a quarterly basis and in each Audit and Risk Assurance Committee meeting.

4.6.6 Notification to Supplier of No PO on Invoice

If a supplier sends an Invoice with No PO and it does not sit within the agreed exception list, then the first standard letter will be sent (**see Appendix 3**) explaining the No Po No Pay policy and

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what do next. Subsequent failure to quote a valid PO will result in a second letter shown in **Appendix 3(a)**.

4.6.7 Notification to NHS staff of No PO raised

If a member of NHS Wales's staff requests goods or services from a supplier that does not sit within the agreed exception list, then the standard letter (**see Appendix 4**) will be sent to the member of staff.

4.7 Non-Compliance Policy

To ensure the implementation of the is policy is effective it is important that there is a clear policy of dealing with non-compliance, whether that is in relation to internal staff within NHS Wales or suppliers. The following escalation process will therefore apply:

Supplier

Level	Response	Action
Level 0	Communication to Suppliers of NHS Wales policy	NWSSP standard communication
Level 1	First reminders to non-compliant suppliers – Appendix 3	Appendix 3 letter – payment made
Level 2	Final reminders to non-compliant suppliers – Appendix 3a	Appendix 3a letter – payment NOT made until a valid purchase order number is quoted

NHS staff

Level	Response	Action
Level 0	Communication to NHS staff of NHS Wales policy	NWSSP and UHB communication
Level 1	First reminders to non-compliant NHS staff – Appendix 4	Appendix 4 letter
Level 2	Communication with individual / line manager	UHB to deem if a training need etc. Option is available to remove Oracle responsibility.

Where there is concern that due process is not being followed and dishonesty is suspected, then such incidents will be referred to the Health Board's Counter Fraud Department, who will undertake a review and establish whether any crimes have been committed.

5. PAYMENT OF CREDITORS

5.1. METHODS OF PAYMENT

All creditors are paid using the Oracle System and payments are generated in the following ways:

- i) BACS payments
- ii) Cheque payments
- iii) Emergency payments may be made by CHAPS transfer on the authority of the Finance Business Partner / Assistant Finance Business Partner for Financial Accounting.
- iv) Purchase Card – **ONLY IN EXCEPTIONAL CIRCUMSTANCES**

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These methods listed above may be used to make revenue, capital, or charitable funds payments.

5.2 PAYMENT

The Accounts Payable section of Shared Services will generate payment for all the goods and services the Health Board receives. Payments will be for:

- i) goods/services ordered using Self Service Procurement on Oracle
- ii) goods/ services ordered using specialised orders e.g., Pharmacy orders
- iii) goods/services ordered and received from other NHS organisations
- iv) payment for patients travelling and other items on the No Po No Pay exemption list.

To process a payment the Accounts Payable Officer will require an original invoice from a company, but there may be a requirement to pay on an electronic or emailed copy of the invoice.

Before an invoice can be processed for payment, the Accounts Payable officer will require confirmation that the goods/services have been received/provided. This may be done in one of the following ways:

- i) Goods/services are receipted onto Oracle
- ii) Paper copy of goods received note.
- iii) Electronic payment feed e.g. from Pharmacy
- iv) Authorisation from delegated budget holder to make the payment.

Dataload Feeds / Generic Interface invoice files from certain areas such as Continuing Health Care detailed in the No PO No Pay Policy, which are pre-authorised.

If the verification of goods received and invoice details match, the invoice may be paid. The following details have to be entered onto the Accounts Payable module in Oracle to enable the payment to be generated

- i) Creditor detail
- ii) Invoice detail
- iii) Financial codes Where differences occur between the authorised payment amount and invoice amount, the system will allow payment within a set tolerance. Differences in excess of the tolerance limit must be passed to the Procurement department to resolve.

5.3. BACS PAYMENTS

5.3.1 On a daily basis a payment run is generated from the Accounts Payable System. This payment run will process all the payments for creditors where bank details are held and payments are made directly into the creditors' bank account.

5.3.2 When generating a payment run the NWSSP Accounts Payable officer uses the Payables Manager Module to generate a list of all due payments on a Preliminary Payment Register (Prelim).

5.3.3 NWSSP Accounts Payable officer will forward the initial Prelim report to the Assistant Finance Business Partner (AFBP) in Financial Accounts who will approve the value of

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the payment run ensuring it does not exceed the Health Board's cash flow projections. The AFBP will notify Accounts Payable before the deadline of 12pm to proceed with the payment run.

5.3.4 At this point, if required, the officer can suppress any payments.

5.3.5 The officer can then proceed to commit the payments selecting a BACS payment date for the payment run.

5.3.6 The BACS totals are entered onto an authorisation form and authorised by an authorised signatory before being faxed to Version One for processing.

5.3.7 Once the processing is complete the payments officer should generate a Final Payment Register.

5.3.8 All payments made generate a remittance advice, which are sent via email or posted if no email address available.

5.4. CHEQUE PAYMENTS

These are payments made on a weekly basis (Thursday's) to individuals or organisations, for instance, where a cheque is required with an order or when the payment represents a one-off payment to a creditor and obtaining bank details is impractical. All the cheque payments are processed using the Accounts Payable programme. All requests for cheques should be supported by the appropriate documentation - the process followed is the same as point 5.3.2 to 5.3.8 above with a cheque run being the payment method.

5.5 PURCHASING CARD

The purchasing card should only be used in exceptional circumstances.

Purchase card enquiries should be directed to Procurement in the first instance. The issue of a Purchase Card requires the approval of both the Purchase Card Administrator and the Director of Finance

The issue of Purchase Cards is tightly controlled, and it is intended that very few will be in use within the Health Board

Please refer to the Purchase Card User Guide in Appendix 5

6. TRAINING

Training resources aimed at the key staff affected by this policy have been developed and will be communicated to all relevant staff in advance of the implementation date.

7. AUDIT

This policy will be subject to internal audit review from time to time.

8. REVIEW

This policy will be reviewed every 3 years.

Suspicion of fraud shall be reported to the Local Counter Fraud Specialist

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APPENDIX 1 All Wales Procurement Manual

The below PDF is a link to an interactive document that covers all aspects of Procurement with Wales. This will cover all aspects of requisitioning, ordering, receipting and returns.



Procurement Manual
2020 v14.pdf

APPENDIX 2 Exceptions to the No PO/No Pay Policy

The following areas do not require a valid PO number. The Exceptions List currently covers:

- CHC/Nursing Home Payments
- Pharmacy
- NHS Organisations including NCA/IPC
- Nurse bank agency invoices
- Leased car repairs
- Primary Care Contracts including Out of Hours, Low Vision, Collaborative Fees, Blue Badges
- Orthotics
- Study Leave
- Business Rates
- Eye Tests
- Mobile Phone Charges
- Reimbursements to Patients including Patients travelling
- Telephone Call Charges
- Telephone Line Rental
- Utilities
- Work Permits
- Bunkered Fuel & Fuel Cards
- Purchase Card
- Taxis
- TV Licences

Technical list of Exceptions:

- Payment of Salary deductions
- Tax, NI & Superannuation
- Petty cash
- Losses & Compensation including redress

HYWEL DDA UNIVERSITY HEALTH BOARD

APPENDIX 3 Letter to Supplier template

ACCOUNTS PAYABLE DEPARTMENT

Dear Supplier

Date: _____

YOUR INVOICE NO: _____

In accordance with our No PO No Pay Policy and as part of ongoing efforts to improve efficiency we are currently monitoring the level of purchasing taking place outside the organisations standard Purchase Order system processes.

We have recently received the above quoted invoice from yourselves and a valid purchase order number was not quoted. Please be advised that use of valid PO numbers is mandatory for this category of supplies. On this occasion the invoice concerned will be passed for retrospective authorisation. We must however advise you that this process is discretionary, and release of your payment may be delayed as a result. If you wish to secure prompt payment in future, please do not accept orders for this category of supplies without first receiving a valid PO number which then must be quoted on your invoice.

If you wish to discuss this matter further, please contact:

Name: _____

Tel No: _____

We are continuing to monitor the level of compliance with this policy, and reserve the right to return invoices, suspend payment or review your contract if instances of non-compliance with our payment policy continue to occur.

Many thanks for your help in resolving this matter

Yours faithfully

HYWEL DDA UNIVERSITY HEALTH BOARD

APPENDIX 3a Letter to Supplier Template

ACCOUNTS PAYABLE DEPARTMENT

Dear Supplier

Date: _____

YOUR INVOICE NO: _____

In accordance with our No PO No Pay Policy and as part of ongoing efforts to improve efficiency we are currently monitoring the level of purchasing taking place outside the organisations standard Purchase Order system processes.

We have recently received the above quoted invoice from yourselves and a valid purchase order number was not quoted. Please be advised that use of valid PO numbers is mandatory for this category of supplies. You have previously received a letter outlining this policy and stating that any further invoices received without a PO will not be paid.

We therefore advise you that until a Purchase Order Number is quoted this invoice will not be paid.

If you wish to discuss this matter further, please contact:

Name: _____

Tel No: _____

Yours faithfully

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APPENDIX 4 Letter to staff template

ACCOUNTS PAYABLE DEPARTMENT

Dear Colleague

Date: _____

No PO No Pay Policy

In accordance with the above Policy and as part of ongoing efforts to improve efficiency we are currently monitoring the level of purchasing taking place outside the Oracle PO system. The following invoice has been received and a Purchase Order Number has not been quoted, but your name has been stated by the Supplier as the ordering point of contact:

Name: _____

Department: _____

Supplier Name: _____

Invoice No: _____

Invoice Value: _____

Brief description of goods/services invoiced:

Please be advised that in accordance with the above Policy, use of Oracle PO numbers is mandatory for this category of supplies.

If you did make this purchase through the Oracle system can you please contact me [details below], to advise the Supplier of the PO Number.

Name: _____

Tel No: _____

If you did not make this purchase through the Oracle system, please ensure in future that orders of this type are only ordered through the Oracle system. Failure to use the Oracle system with an associated valid PO delays the invoice payment process and risks interrupting supplies and is a contravention of the UHB's Standing Financial Instructions. Non-compliance could result in further communication with yourself and your line manager and impact your ability to raise orders in future. Many thanks for your help in resolving this matter.

Yours faithfully

APPENDIX 5 Purchase Card User Guide



PURCHASING%20CA
RD%20USER%20GUII



Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

FP 06/05

CONSTRUCTION INDUSTRY SCHEME

Procedure Number:	071	Supersedes:		Classification	Financial
Version No:	Date of EqlA:	Approved by:	Date Approved:	Date made active:	Review Date:
3		Sustainable Resources Committee			

Brief Summary of Document:	This document is one in a series of financial procedures providing clear process to be followed by staff to ensure compliance with the Construction Industry Scheme.
Scope	Hywel Dda University Health Board wide
To be read in conjunction with:	Standing Orders Hywel Dda University Local Health Board Standing Financial Instructions Counter Fraud, Bribery and Corruption Policy Other Financial Procedures.
Author	Finance Business Partner (Compliance and Tax)
Document owner	Finance Directorate
Accountable Executive Director	Mr Huw Thomas
Document type	Procedure
Classification	Financial

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Version Control		
Version no:	Summary of Amendments:	Date Approved:
1	New Procedure	01/10/2009
2	Revised	03/05/2017
3	Revised	

FRAUD, BRIBERY AND CORRUPTION

All staff are required to comply with the Health Boards policies and procedures and apply best practice in order to prevent Fraud, Bribery and Corruption. Staff should be made aware of their own responsibilities in protecting the Health Board from these crimes.

All staff have a duty to notify the Local Counter Fraud Department of any suspected fraud or inappropriate actions and are protected by the AW Raising Concerns (Whistleblowing) Policy. Anyone who suspects fraud or has any concerns reference Fraud Bribery and Corruption can make a referral by contacting the Counter Fraud Department by either of the following methods;

- Telephoning the office on 01267 266268,
- Emailing HDUHB.CounterFraudTeam.HDD@wales.nhs.uk ,
- Making an online referral at <https://reportfraud.cfa.nhs.uk> or
- Making an anonymous referral by telephoning Crimestoppers on 0800 028 40 60.

Staff should refer to the [Counter Fraud, Bribery and Corruption Policy](#) for further information.

HYWEL DDA UNIVERSITY HEALTH BOARD

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GLOSSARY OF TERMS

CIS	The Construction Industry Scheme
HMRC	Her Majesty’s Revenue & Customs
CIS Contractor	An organisation registered for CIS that pays a business for construction services.
Subcontractor	A business that provides construction services to a CIS Contractor.
Construction Operations	Activities within the scope of CIS as defined in Section 74, Finance Act 2004 (see Appendix A).
End user declaration	A written declaration by a customer to a construction supplier confirming that the customer is the end user of the construction services, i.e. the final consumer, who does not make an onward supply of those services to another customer.
CIS deduction	An amount deducted by a CIS Contractor from a payment made to a Subcontractor in accordance with CIS.
CIS payment status	A Subcontractor’s status under CIS which specifies the rate of deduction which a CIS Contractor must apply to payments made to the Subcontractor.
Verification	The process by which the CIS payment status of a Subcontractor is confirmed.
Payment and Deduction Statement	A written statement provided by a CIS Contractor to a Subcontractor providing details of all invoices in respect of which a CIS deduction has been was applied.
Tax month	A month beginning on the 6 th of one calendar month and ending on the 5 th of the next.

HYWEL DDA UNIVERSITY HEALTH BOARD

1 INTRODUCTION

Under the Construction Industry Scheme (CIS), certain organisations may be required to withhold amounts from payments made to suppliers of construction works and pay over the withheld amounts to HMRC on the supplier's behalf as advance payments of tax. The scheme is aimed at reducing the occurrence of tax evasion in the construction industry supply chain.

The scheme applies to payments made by a CIS Contractor to a Subcontractor under a contract which includes Construction Operations within the scope of the scheme.

Hywel Dda University Health Board (HDdUHB) is deemed to be a CIS Contractor and this Financial Procedure sets out the procedures which must be followed by HDdUHB when contracting for and making payment under contracts which include Construction Operations.

2 SCOPE

The scope of this procedure extends to any staff member involved in the arrangement of services to the Health Board which may include Construction Operations and any staff involved in the processing of invoices and payments or the submission of returns to HMRC.

3 AIM

To ensure that all payments made by the Health Board for services which include Construction Operations are:

- identified, for the purpose of reporting to HMRC via the monthly CIS return, and
- paid subject to the appropriate amount of withholding tax.

4 OBJECTIVES

Clearly define roles and responsibilities.

Provide clear procedural instructions for on-going reference.

HYWEL DDA UNIVERSITY HEALTH BOARD

5 ROLES AND RESPONSIBILITIES

	Procedure	Responsible party
<u>1</u>	Determine whether CIS applies to a contract	Capital and Estates
<u>2</u>	Issue VAT “end-user declarations”	Capital and Estates
<u>3</u>	Obtain suppliers’ CIS registration details	Capital and Estates
<u>4</u>	Verify subcontractors	Finance
<u>5</u>	Apply CIS deductions and pay over to HMRC	NWSSP Accounts Payable
<u>6</u>	Submit monthly CIS returns	Finance
<u>7</u>	Distribute Payment and Deduction Statements	Finance
<u>8</u>	Report CIS deductions via the PAYE scheme	NWSSP Payroll

HYWEL DDA UNIVERSITY HEALTH BOARD

6 PROCEDURES

6.1 DETERMINE WHETHER CIS APPLIES

When entering HDdUHB into a contract, staff shall determine whether the contract will fall within the scope of CIS. Contracts will be within the scope of CIS if they include *Construction Operations*.

A summary of what are considered to be Construction Operations is provided in Appendix A.

6.2 ISSUE A VAT “END USER DECLARATION” TO THE SUPPLIER

Unless (exceptionally) HDdUHB will not be the “end user” of the Construction Operations included within the proposed contract, the Capital and Estates department shall issue an “end user declaration” to a new construction supplier as soon as possible upon engagement.

A template “end user declaration” is included within Appendix B to this procedure.

Where HDdUHB will not be the end user of any upcoming works, the Capital and Estates department shall inform the Finance department at the earliest opportunity.

Background

From 1 March 2021, new VAT legislation was introduced in the UK with the intention of reducing VAT fraud in the construction industry supply chain.

Under normal rules, VAT on the supply of goods or services by a supplier to a customer must be paid over to HMRC by the supplier. From 1 March 2021, where the supply between a supplier and a customer includes Construction Operations, the obligation to pay over the VAT to HMRC falls on the customer. However, the new rules do not apply where the customer is the “end user” of the Construction Operations and has notified the supplier accordingly by way of an end user declaration.

End users are the final consumers of Construction Operations, who do not make an onward supply of those services to another customer. HDdUHB will almost always be the end user of the construction services which it receives. The issuing of an end user declaration to its construction suppliers will result in the Health Board not being responsible for paying over to HMRC the VAT arising under the contract.

Construction Operations for the purpose of the new VAT legislation has the same definition as it does for the purpose of CIS (Appendix A).

6.3 OBTAIN SUPPLIERS’ CIS REGISTRATION DETAILS

Where it has been concluded that a contract will be within the scope of CIS, the Health Board must verify the supplier’s CIS registration details before any payment is made to the supplier.

Capital and Estates staff shall request the supplier’s CIS registration details and provide these to the Finance Department to complete the verification process. Appendix C sets out the information required from the supplier’s CIS registration.

HYWEL DDA UNIVERSITY HEALTH BOARD

6.4 VERIFY SUBCONTRACTORS

Verification

Verification is the process by which the Health Board confirms the “CIS payment status” of a Subcontractor by way of a check against HMRC’s CIS database. This is done by way of a verification submission via HMRC’s online CIS service portal, to which the Health Board has access.

A subcontractor’s CIS payment status specifies the rate of deduction the Health Board must withhold from payments made to that subcontractor. There are three possible CIS payment statuses:

CIS payment status	CIS deduction rate
Gross	0%
Standard rate	20%
Unknown*	30%

*A CIS payment status of “Unknown” will be returned when HMRC has been unable to match the Subcontractor’s details to its CIS database. This will either be because the Subcontractor is not currently CIS registered or the details used in the verification submission were incorrect or were not exactly the same as they are in HMRC’s database. If the latter is believed to be the case, further verification submissions may be made based on updated details.

Multiple subcontractors may be verified within a single verification submission. Each successful verification submission will be assigned a unique Verification number.

When must a supplier be verified?

The Finance department shall verify a supplier upon the request of a staff member of the Capital and Estates department and the provision by them of the supplier’s CIS registration details.

Once verified, a subcontractor does not need to be re-verified until two full tax years have passed since that supplier was last used under the scheme.

HMRC may inform the Health Board, by way of a notification in the post, when the CIS payment status of one of the Health Board’s Subcontractors has changed. Receipt of such a notification shall be considered a prompt to make a new verification submission in respect of that subcontractor.

Update and maintenance of records

The Finance department shall maintain a register of known construction suppliers, including the CIS registration details and current CIS payment statuses of these suppliers. At least monthly, the Finance department shall check and agree the details included on the register to those stated on the Health Board’s Oracle supplier database and the Health Board’s subcontractor list on HMRC’s online CIS portal and action any updates as necessary.

HYWEL DDA UNIVERSITY HEALTH BOARD

6.5 APPLY CIS DEDUCTIONS AND PAY OVER TO HMRC

Check whether the supplier has been verified

Prior to processing any payments for Construction Operations, creditor payment staff shall be absolutely certain that the supplier in question has been verified by the Health Board under CIS. This can be concluded by checking that the "Invoice Withholding Tax Group" field on the supplier's account is populated with one of either "CIS_Gross", "CIS_Net" or "CIS_Unmatched".

If a supplier has not been verified, or if there is any doubt, payment SHOULD NOT be made and the matter shall be referred back to the requisition requestor.

Apply any required CIS deduction to supplier payments

Payments to suppliers for Construction Operations under CIS must be made subject to a CIS deduction as follows:

	£
Total invoice amount from supplier (incl. VAT)	X
Less: CIS deduction	(X)
Amount payable to supplier	<u>X</u>

Whereby:

<u>CIS deduction:</u>	
	£
Net invoice amount (excl. VAT)	X
Less: Cost incurred by the subcontractor for materials, fuel, equipment and VAT (if not VAT registered)	(X)
	<u>X</u>
	↓
CIS deduction at the applicable CIS deduction rate (0%/20%/30%)	X

In practice, the CIS deduction is often more simply calculated as the labour element of the invoice multiplied by the applicable CIS deduction rate.

Additional notes:

- The split between labour and materials shall be provided by Capital and Estates.
- The CIS deduction deducted from payment shall be charged to balance sheet code 9999-95085.

HYWEL DDA UNIVERSITY HEALTH BOARD

Pay over to HMRC any CIS deductions withheld

CIS deductions withheld from supplier payments shall be paid over to HMRC within 14 days of the end of the tax month in which the deduction was applied.

6.6 SUBMIT MONTHLY CIS RETURN

The Finance department shall obtain a report of Accounts Payable activity associated with the Health Board's CIS subcontractors in the tax month just ended and produce a summary for permanent record.

The total of all CIS deductions applied in the period shall be calculated and reported to the NWSSP Payroll Services department by 12th of each month.

A monthly CIS return shall be submitted to HMRC via its online CIS portal within 14 days of the end of the tax month in question.

Balance sheet account 9999-95085-0000 shall be fully reconciled on a monthly basis.

6.7 DISTRIBUTE PAYMENT AND DEDUCTION STATEMENTS

Where the Health Board has applied a CIS deduction to a supplier payment during a tax month, it shall provide the supplier in question with a "Payment and deduction statement" within 14 days of the end of that tax month. The statement shall include details regarding each of the supplier's invoices in respect of which a CIS deduction was applied.

6.8 REPORT CIS DEDUCTIONS VIA THE PAYE SCHEME

The total of all CIS deduction applied within a tax month shall be reported to NWSSP Payroll Services by the Finance department by the 12th following the end of the tax month. NWSSP Payroll Services shall report this amount to HMRC via the Health Board's monthly PAYE submission by 19th following the end of the tax month.

7 APPENDIX A – CONSTRUCTION OPERATIONS FOR CIS PURPOSES

Construction operations

Includes the following categories of work done to a permanent or temporary building, structure or civil engineering installation:

- **Site preparation**
- **Dismantling**
- **Demolition**
- **Construction**
- **Installation of complete systems**
- **Painting and decorating**
- **Repairs**
- **Alterations**
- **Works integral to or to enable any of the above**
 - E.g. cleaning during works, scaffolding, plant hire with operator, installation of fixtures and fittings, tree planting and land remediation/landscaping.

Key principles

- Whether works include construction operations for CIS purposes must be considered on a contract by contract (rather than invoice by invoice) basis.
- Where a single contract relates to a mixture of construction and non-construction operations, all payments due under the contract will fall within the scheme.

Further guidance

Appendices A to C of HMRC guidance CIS 340:

[Construction Industry Scheme: a guide for contractors and subcontractors \(CIS 340\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/construction-industry-scheme-a-guide-for-contractors-and-subcontractors-cis-340)

A-Z index of Construction Operations:

[CISR14330 - Construction Industry Scheme Reform Manual - HMRC internal manual - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/cisr14330-construction-industry-scheme-reform-manual-hmrc-internal-manual)

HYWEL DDA UNIVERSITY HEALTH BOARD

9 APPENDIX C – REQUIRED INFORMATION FROM A SUPPLIER'S CIS REGISTRATION

The information required to enable the Health Board to successfully verify the CIS registration details of a supplier is set out below. The specific information required will depend on the supplier's business structure, as follows:

Individual sole trader

- Name
- Unique Taxpayer Reference (UTR)
- National Insurance (NI) Number

Partnership

- Partnership name
- Partnership's UTR
- Registered partner's name
- Registered partner's UTR
- Registered partner's NI Number (if an individual)
- Registered partner's Company Registration Number (if a company)

Company

- Name of company
- Company's UTR
- Company Registration Number

All details should be stated exactly as they appear on the supplier's CIS registration.



FP 10/05

PROCEDURE FOR THE IDENTIFICATION
AND CHARGING OF OVERSEAS VISITORS
FOR NHS TREATMENT

Procedure Number:	10-05	Supersedes:	082	Classification	Financial
Version No:	Date of EqlA:	Approved by:	Date Approved:	Date made active:	Review Date:
3	Nov 21	Sustainable Resource Committee			

Brief Summary of Document:	This document is one in a series of financial procedures providing clear process to be followed. This procedure specifically deals with the process of the identification of overseas visitors.
Scope	All HB Staff

To be read in conjunction with:	Standing Orders Standing Financial Instructions Other Financial Procedures
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Owning committee/group	Sustainable Resource Committee
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Executive Director:	Huw Thomas	Job Title	Director of Finance
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HYWEL DDA UNIVERSITY HEALTH BOARD

Reviews and updates		
Version no:	Summary of Amendments:	Date Approved:
1	New Procedure	01/10/2009
2	Revised	26/10/2018
3	Revised	26/10/2021

Keywords	Overseas Visitors
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HYWEL DDA UNIVERSITY HEALTH BOARD

1. INTRODUCTION

This document is intended to give an overview of how all Health Board staff has a statutory duty to identify any overseas visitor accessing Hywel Dda University Health Board services so that all cost of treatment can be recouped.

Hywel Dda University Health Board (UHB) is fully committed to reducing overseas patient hospital charges evasion as NHS primary purpose is to provide healthcare to the residents of the United Kingdom. People who do not normally live in the UK are not automatically entitled to use NHS hospital services free of charge, regardless of their nationality or whether they hold a British passport or have previously lived in the UK and paid National Insurance contributions and taxes previously in the UK.

The Welsh Government Charging Regulations place a legal obligation on Health Boards in Wales to establish if people to whom they are providing NHS hospital services are not normally resident in the UK. If they are not then charges may be applicable for the NHS hospital services provided. When that is the case the UHB must charge the person liable for the costs of NHS hospital services.

2. SCOPE

This procedure is Hywel Dda University Health Board wide.

3. AIM

This procedure aims to ensure effective Financial Control within Hywel Dda University Health Board.

4. OBJECTIVES

The aim of this procedure will be achieved by:

- Outlining the law in Wales
- Detailing the responsibility of Health Board staff
- Definition of an overseas visitor
- Outlining validation and income recovery
- Detailing charging overseas visitors

5. THE LAW IN WALES

The statutory provisions which enable overseas visitors to be charged for NHS treatment are found in section 121 of the National Health Service Act 1977 (as amended by sections 7(12) and (14) of the Health and Medicines Act 1988). Making such regulations for Wales is devolved to the authority of the National Assembly for Wales by virtue of the National Assembly for Wales (Transfer of Function) Order 1999. This gives authority to the Assembly to make Regulations concerning charging anyone who is not ordinarily resident in Great Britain for any NHS services provided. They also give the Assembly powers to calculate such charges on any appropriate commercial basis.

The Regulations were first introduced in 1982 but were replaced by revised, consolidated Regulations in 1989. The National Health Service (Charges to Overseas Visitors) Regulations 1989 are therefore the baseline from which LHBs should work, taking into account all other amending Regulations made since 1989. The National Health Service (Charges to Overseas Visitors) (Amendment) (Wales) Regulations 2004, which came into force on 31st May 2004, make a number of wide ranging changes to the 1989 Regulations.

Please go to <https://gov.wales/docs/dhss/publications/110721overseasen.pdf> for a full list of all the current regulations.

6. RESPONSIBILITIES – ALL HEALTH BOARD STAFF

The success of the charging regime depends on all staff being aware and supportive of the role of the Overseas Visitor Patient Officer. Staff and Management should support the charging regime not only because it is a legal obligation to ensure that those Overseas Visitors who are not exempt from charges pay for their treatment wherever possible, but also because it allows extra income to be raised and protects allocated funds for those entitled to free treatment.

Further, Overseas Visitor Patient Officers are much more likely to receive the support of clinicians when they have a good and transparent relationship with them. It is crucial that clinicians do not feel that following the charging regime means that they cannot diagnose and treat their patients appropriately. This can be helped by Overseas Visitor Patient Officers explaining that their role is not to be involved in any decisions on urgency of treatment, but to inform clinicians when they are dealing with a chargeable overseas patient who cannot pay and to provide details on when the patient can reasonably return home. With this information, clinicians can decide if the treatment that the patient needs can wait until the patient can return home or not.

7. IDENTIFICATION OF OVERSEAS VISITORS

To avoid any potential claim for discrimination under Article 14 of the European Convention on Human Rights, which is now incorporated into UK law in the Human Rights Act 1998 HB frontline staff should in practice ask all patients on admission a baseline question to establish where patients have lived in the past 12 months and if it is the UK that they can show that they have the right to live here.

Therefore, it is vitally important that reception staff, ward clerks, medical records appointment officers ensure that Welsh PAS (Patient Administration System) records the overseas patients by following these steps listed below.

- All patients to be asked where their normal place of residence is and if they are have settled or pre-settled status if part of the EU Settlement Scheme
- Overseas home address in addition to the UK temporary address being given for correspondence while the patient is in the UK to be recorded in Welsh PAS
- Where a patient provides a hotel, caravan site or suspected business address staff should alert the overseas visitor patient officer who will investigate the patient status
- GP information should be recorded as “overseas visitor” in Welsh PAS to enable ongoing identification of the patient as an overseas visitor
- Patient/guardian/representative’s telephone contact number and email address should be recorded in Welsh PAS to allow communication with the patient after discharge (this is crucial to assist in recovering the debt)
- If the patient is under 18 years of age the name of the responsible parent/guardian and contact details must be recorded in keynotes/next of kin section in the Welsh PAS
- Staff to ensure that the overseas patient is informed that charges **may** apply for treatment.
- Staff to ensure that the overseas patient completes and signs the undertaking to pay form (FP2 shown in Appendix 1) and email the undertaking to pay form to the overseas team whilst the patient is still on the ward. Overseasteam.Finance.HDD@wales.nhs.uk

HYWEL DDA UNIVERSITY HEALTH BOARD

- Undertaking to pay form to be emailed to Overseasteam.Finance.HDD@wales.nhs.uk
- The Overseas Visitors team can be contacted by direct line 01267 887173 - happy to assist and support with any queries

8. VALIDATION AND INCOME RECOVERY

- The Overseas Team will review the undertaking to pay form and validate the information provided against Welsh Government guidelines and legislation
- If additional information is required to establish the patient's status the Overseas Visitors Team will contact the patient directly
- If the patient's status is chargeable then the invoice will be raised by the Overseas Visitors Team and deal with any subsequent queries
- If the invoice proceeds to formal external debt collection this is undertaken by the Accounts Receivable team

9. CHARGING OVERSEAS VISITORS

Welsh Government has advised Health Boards to choose an appropriate costing methodology to recoup charges based on the cost of treatment. HDUHB uses an average local specialty price.

10. LOCAL COUNTER FRAUD TEAM

Where dishonesty, evasion of hospital overseas charges by theft or fraud is suspected the Health Board's Local Fraud Management Team will be asked to investigate. Below are examples of potentially fraudulent activity.

- Is the patient from overseas but pretending to be a UK resident?
- Has provided false documentation and false address?
- Is the relative of a UK resident and given their address?

11. HOSPITAL STAFF AWARENESS TRAINING

An ongoing staff awareness programme is in place to assist Health Board staff with regard to the identification of overseas patients and the process for completing all paperwork so the UHB can recover the cost of treatment – there is also a rolling overseas awareness session on the Managers Passport Plus programme.

Any department or member of staff that would like this training sooner please contact the Overseas Visitors team on 01267 887173

12. HOME OFFICE INVOLVEMENT

The Home Office Immigration Service have amended the immigration rules to allow an unpaid debt of £500.00 or more by a person subject to immigration control to be a reason to refuse a new visa or extension of stay. The Welsh Government set up a project group with Health Boards in Wales which implemented the new immigration rules by putting in place with Finance Accounts Receivable departments the necessary system to capture data which is to be sent to the Home Office Immigration service.

HYWEL DDA UNIVERSITY HEALTH BOARD

The Home Office carry out status checks which assists the UHB to recover overseas patient treatment costs.

13. OVERSEAS INTRANET PAGE

The Overseas Visitors team have developed an intranet page as a reference point for all Health Board staff to access information, documents and posters for information.

<http://howis.wales.nhs.uk/sitesplus/862/page/72941>

HYWEL DDA UNIVERSITY HEALTH BOARD

14. Appendix 1 – undertaking to pay form



Appendix 1

<p>This form must be completed by the patient /Relative/Guardian as soon as possible on admission to the ward/department.</p> <p>Please email this completed form to Debbie.Greenaway@wales.nhs.uk.</p> <p>Any queries contact Debbie Greenaway on 01267 887173.</p> <p>HUHB Overseas Intranet page - http://howis.wales.nhs.uk/sitesplus/862/page/72941</p>	
FP2 - Undertaking To Pay	WelshPAS Hospital Number:
Patient 18 and over - Section A	PATIENT TO COMPLETE AND SIGN/DATE
Family Name:	
Given Names:	Date of Birth:
Permanent overseas address:	
Temporary UK Holiday address:	
Contact Telephone Number:	
Email address	
Patient Under 18 - Section B	PARENT/GUARDIAN TO COMPLETE AND SIGN/DATE
Family Name:	
Given Names:	Date of Birth:
Permanent overseas address:	
Temporary UK Holiday address:	
Contact Telephone Number:	
Email address	
<p>Declaration - I understand the reason I have been asked to complete this form as a non ordinarily resident of the UK I undertake to pay Hywel Dda University Health Board the cost of treatment I receive in accordance with the NHS charging Regulations in force in respect of hospital treatment provided. I also understand that failure to pay these costs for NHS treatment may result in future immigration applications may be denied. Hywel Dda University Health Board may share this information with the Counter Fraud Team, The Home Office, The Department of Works and Pensions, The Welsh Government.</p>	
Signature :	Print Name:
	Date:

Swyddfeydd Corfforaethol, Adeilad Ystwyth,
Hafan Derwen, Parc Dewi Sant, Heol Flynnon Job,
Caerfyrddin, Sir Gaerfyrddin, SA31 3BB

Corporate Offices, Ystwyth Building,
Hafan Derwen, St Davids Park, Job's Well Road,
Carmarthen, Carmarthenshire, SA31 3BB

Cadeirydd / Chair
Mrs Maria Battle
Prif Weithredwr/Chief Executive
Mr Steve Moore

Bwrdd Iechyd Prifysgol Hywel Dda yw enw gweithredol Bwrdd Iechyd Lleol Prifysgol Hywel Dda
Hywel Dda University Health Board is the operational name of Hywel Dda University Local Health Board
Mae Bwrdd Iechyd Prifysgol Hywel Dda yn amgylchedd di-fwg Hywel Dda University Health Board operates a smoke free environment



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

10-06

TREATMENT OF PRIVATE PATIENTS, CONTROL OF ADMISSION AND COLLECTION OF INCOME

Procedure Number:	1032 10-06	Supersedes:	083	Classification	Financial
Version No:	Date of EqIA:	Approved by:	Date Approved:	Date made active:	Review Date:
1.2		Sustainable Resource Committee			

Brief Summary of Document:	This procedure states the private practice arrangements to be operated within Hywel Dda University Health Board.
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Scope	This procedure should be brought to the attention of all medical, nursing, administrative and other staff involved in the reception, admission or treatment of private patients, the management of private practice and the collection of charges and should be given to all new Medical Consultants on appointment.
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To be read in conjunction with:	Standing Orders. Standing Financial Instructions. Other Financial Procedures. 534 - Patient Access: Elective Care Policy
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Owning committee/group	Sustainable Resources Committee Director of Finance Date of sign off
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Executive Lead:	Huw Thomas, Executive Director of Finance
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Reviews and updates

HYWEL DDA UNIVERSITY HEALTH BOARD

Version no:	Summary of Amendments:	Date Approved:
1.1	New Procedure	
1.2	Finance requested removal of Audiology from section 7	

Glossary of terms

Term	Definition
UHB	Hywel Dda University Health Board
HCP	Healthcare professionals
DVLA	Diver & Vehicle Licensing Agency
Tariff	Details cost of treatment/tests
RRB	Completion of a Request to Raise a Bill should accompany an UTP form, as it details information about the Consultant and any additional costs
UTP	The Undertaking to Pay (UTP) form is a statutory requirement for all private patients to complete before commencing any private treatment at HDUHB. In all cases, the patient is required to sign this form <u>before</u> a clinician is seen and/or any diagnostic tests and/or treatment takes place on a private basis.
WPAS	Welsh Patient Administration System

Keywords	Financial DVLA HCPs Inpatient Day Case Outpatient Pathology Test RRB Tariff WPAS
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HYWEL DDA UNIVERSITY HEALTH BOARD

1. Introduction

This procedure states the private practice arrangements to be operated within Hywel Dda University Health Board. Procedure 083 has been updated to replace a separate Withybush legacy procedure (number 3422) and to reflect current processes to be adhered to during 2021/2022.

This procedure is supported by the NHS Act 1977 for charging patients, and DoH guidelines "A Code of Practice for Private Patients; Guidance for NHS Medical Staff".

<https://www.nhsemployers.org/sites/default/files/2021-06/consultants-code-of-conduct-private-practice-guide.pdf>. These documents should be referred to where further clarification is required.

2. Scope

This procedure should be brought to the attention of all medical, nursing, administrative and other staff involved in the reception, admission or treatment of private patients, the management of private practice and the collection of charges and should be given to all new Medical Consultants on appointment.

This Financial Procedure should be read in conjunction with the UHB's 534 - [Patient Access: Elective Care Policy \(PDF, 844Kb\)](#)

3. Aim/Objectives

The aim/objectives of this procedure –

- All private patients receiving treatment within the UHB are identified
- Staff undertake work when it is permissible to undertake it and the terms under which treatment is provided
- There is clarity on issues around charges and tariffs
- There are provisions for changing the status of a patient from private to NHS
- There is guidance for suitably qualified healthcare professionals (HCP's), private patient co-ordinators and admission officers/ward clerks on their roles in administering private patients.

4. Suitably Qualified Healthcare Professionals (HCP) Responsibility

- The treatment of private patients should not prejudice or interfere with or be to the detriment of NHS patients. This includes any NHS on-call or emergency commitments that the HCP is contracted to undertake.
- HCP's wishing to provide outpatient and or diagnostic treatments to private patients within the UHB must seek the approval of the UHB **Medical Director using the Registration form**. HCP's wish to undertake private work this should be discussed with their respective Clinical Directors/Service Delivery Manager when preparing job plans to ensure that NHS commitments are fulfilled.
- Are prohibited from initiating any discussions in relation to providing private services for an NHS patient whilst working in an NHS capacity.
- Are required to disclose any outside business or professional interests that may give rise to an actual or perceived conflict of interest if they wish to treat private patients within the Trust. This should be undertaken at the start of each financial year using the registration form.
- Must inform the Private Patient Co-ordinator immediately of any planned admittance of a Private Patient.

The HCP to whom the patient has been referred is personally responsible for the following matters:-

HYWEL DDA UNIVERSITY HEALTH BOARD

To ensure that their patient understands the following matters relating to their treatment:

- That they will be required to pay HCP fees (together with the fees of other practitioners, e.g., Anesthetists) AND Health Service charges.
- An estimate of the total charges which are likely to result from the proposed episode of treatment, together with a clear indication that the total charge may be higher if:

5. Outpatients

An outpatient cannot be both private and NHS for the treatment of one condition during a single visit. For example, a patient must pay for consultation plus any diagnostic test carried out during a visit; he cannot be private for the consultation and NHS for the diagnostic tests. A patient can, however, change status at a subsequent visit.

Medical staff **MUST ENSURE** that patients are aware that they are required to pay HCP's fees plus the fees of any other practitioner e.g. those of Anesthetists, Pathologists or Radiologists and that there is also a requirement to pay NHS charges for accommodation, hotel services and administration.

WPAS and other documentation returns or diagnostic requests **MUST CLEARLY** identify the status of the patient.

Use category 4 (shown below) to note a patient's private patient status on WPAS.

The screenshot displays the WPAS interface. At the top, there's a navigation bar with icons for Admission, Theatre, Transfer, Legal Status, and Delayed Transfer of Care. Below this is the 'Patient Details' section, which includes fields for Case No, Name, Address, and Age (77 Yr). The 'Admission Booking Details' section is divided into two columns. The left column contains fields for Date of Admission (05/07/2021), Admission Time (21:00), Arrival Time (20:56), Referrer (POOLED LIST), GP Ref No, Management Intent (Patient intended to stay at least one), Clinical Condition, Priority (Routine), Est. Discharge (26/07/2021 18:00:00), Cancellation Reason, Local Reason, and Date Notified. The right column contains fields for Category (4. Private patient - not formally detained), Source (Patient transfer from other health board/ trust), Admitting Clinician (Edmunds, E), Admitting Service (Cardiology), Admitting Location (GGH - Coronary Care Unit), Admit Method (Emergency - other means), and Commissioner (Auto-Select). Below these is the 'Pathway Management' section, which includes fields for Pathway (05/07/2021), UPI (7A23056598), and Pathway Event (Pathway starts from Emergency Admission).

Following consultation, the agreement form correctly completed must be sent on to the Finance Department so that an invoice may be raised.

HYWEL DDA UNIVERSITY HEALTH BOARD

6. Finance Department's Responsibility

Medical staff must ensure that an agreement to pay form is completed and signed by the patient.

Once the episode of care has been completed, the Finance Department should have been notified by all departments of the treatment received by the patient. An invoice should then be sent to the private patient, even if the patient has private medical insurance.

The charges by the Health Board are those agreed by and reviewed annually by the Sustainable Resources Committee.

On a monthly basis, the Finance Department must reconcile the information received from the medical staff and the departments with the information held on WPAS and signed UTP forms, any discrepancies must be investigated.

HCPs will be requested for information to assist the reconciliation process and confirm whether patients were treated privately or not.

7. Ward procedure

Once a private patient has been admitted onto a ward, the senior nursing staff should ensure that all ward returns; referral forms etc state the patient's status. Similarly, WPAS should also reflect the private patient status.

Ward staff at all times should ensure that they assist the Finance Department in the event of the officer requiring information.

8. Other departments

All departments providing diagnostic services to any private patient should note this on a weekly or monthly return which details the name and address of the patient, the date which the procedure was carried out and the nature of the procedure.

It is essential that ALL returns MUST CLEARLY state the patient status.

The following departments send information to the Finance Department on at least a monthly basis:

- Radiology
- Cardiology
- Pathology
- Physiotherapy

If no private patients have been seen then a nil return should be sent. It is essential that the returns are sent to the Finance Department on a regular basis so that the invoice sent to the patient includes details of all diagnostic tests performed.

Any other departments treating private patients should send returns to the Finance Department immediately following treatment of a private patient.

HYWEL DDA UNIVERSITY HEALTH BOARD

9. Medical Staff Code of Conduct

- Medical staff who wish to perform private Outpatient/Diagnostic test at the UHB MUST register their intent by completing the [Private Practice Registration form](#) and submit a copy of their indemnity insurance. No Private work must be undertaken until authorisation has been approved by the Medical Director.
- Medical staff must ensure that they inform patients of all the charges they will incur as a private patient and when necessary obtain the patient's signature on an [Agreement to Pay form](#).
- Medical staff must ascertain whether or not the patient has private medical insurance and provide details on the Application for Admission form.
- Medical staff will be required to provide the Finance Department with information to assist in the reconciliation process.

10. Annual Processes

The following three processes are to be undertaken on an annual basis.

- Practicing HCP's are to forward a copy of their indemnity policy directly to the Private Patient Officer
- Newly practicing HCP's must complete an Application to Undertake Private Practice form
- HDUHB Tariff is to be uplifted annually by Finance and authorised by the Sustainable Resources Committee

HYWEL DDA UNIVERSITY HEALTH BOARD

11. Private Practice Registration Form

PRIVATE PRACTICE REGISTRATION FORM



**GIG
CYMRU
NHS
WALES**

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Hywel Dda University Hospital Health Board Consultant Private Practising Privileges Application Form

Please complete and return to Michelle Campbell at Michelle.A.Campbell@wales.nhs.uk

Name		GMC Number	
Position Held		Specialty:	
Principal Qualifications:		Special interest(s):	
Private Indemnity Insurer:		Private Indemnity Policy No:	
Private Indemnity Expiry Date:		Mobile No:	
Principle Email Address:		GMC Registered Email Address:	

Please indicate the medical insurers you are currently registered with by ticking the below boxes

BUPA	AXA PPP	AVIVA	Vitality	WPA	Simply Health	CS Healthcare	Other (please list)

Signed		Date	
--------	--	------	--

HYWEL DDA UNIVERSITY HEALTH BOARD

12. Undertake to Pay Form

Note these are available via General Offices and are issued by Finance.



outpt.pdf

13. Request to Raise a Bill

This excel sheet is required to be completed as per the embedded instructions below. These can also be submitted electronically to Debtors generic email address, HDd.Finrecv@wales.nhs.uk or posted via internal mail to Ty Gorwel, Building 14, St David's Park, Jobs Well Road, Carmarthen, SA31 3HB



COMPLETION OF
RRB.docx



New RRB Aug
2020.xls

14. Hywel Dda University Health Board tariff

This tariff is reviewed annually by Finance and signed off by the Finance Committee.



Private Patient Tariff
21.22.pdf

15. DVLA Process

Receipt of Referral

The DVLA sometimes refers Category II patients to ascertain an individual's fitness to drive. On receipt of referral, ensure the referral is logged onto WPAS using the Administrative Category - 4.

Value	Meaning	Valid From	Valid To
01	NHS Patient, including overseas visitors charged under Section 121 of the NHS Act 1977 as amended by Section 7(12) and (14) of the Health and Medicine Act 1988	1 st April 1999	
02	Private Patient, one who uses accommodation or services authorised under Section 65 and/or 66 of the NHS Act 1977 (Section 7(10) of Health and Medicine Act 1988 refers) as amended by Section 26 of the National Health Service and Community Care Act 1990	1 st April 1999	

HYWEL DDA UNIVERSITY HEALTH BOARD

03	Amenity Patient, one who pays for the use of a single room or small ward in accord with Section 12 of the NHS Act 1977, as amended by Section 7(12) and (14) of the Health and Medicine Act 1988	1 st April 1999	
04	Category II patient (for diagnostic requests only)	1 st April 1999	

II PATIENT, one for whom work is undertaken by hospital medical or dental staff within category II as defined in paragraph 37 of the Terms and Conditions of Service of Hospital Medical and Dental Staff

Test Completed

Once the test is completed, raise a request to raise a bill (section 13 refers). .

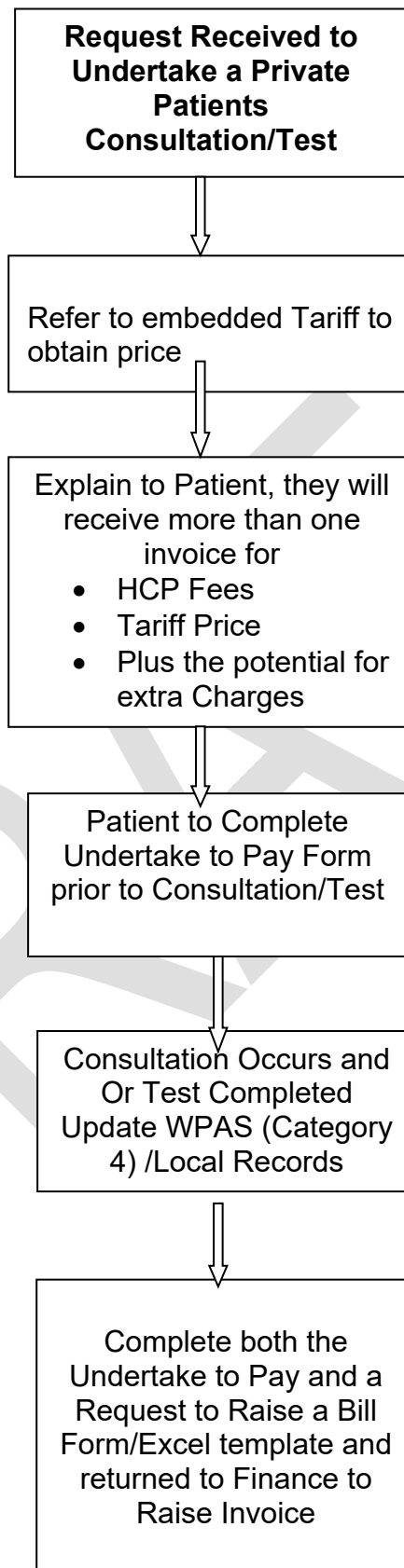
Charges & Payment

The DVLA have an agreement with the BMA, which includes a universal fee that all Health Boards in Wales are paid. For example -

Test	Value
GP fee for filling in forms	£40
GP fee for examination	£85
Consultant fee for filling in forms	£42
Consultant fee for examination	102.50
Doctors who are franchised to undertake exercise tests	£136.50
Profusion Tests	£550
Alcohol/Drug Tests	£85
Carbohydrate-deficient transferrin	£98.50

HDUHB will then raise the invoices to the DVLA. Upon payment, 1/3rd of the payment is retained by the UHB and 2/3rd is paid to the consultant.

16. Private Patient Consultation/Test Flow Chart





FP 11/05

PROPERTY FOUND ON HYWEL DDA UHB PREMISES PROCEDURE

Procedure Number:	11-05	Supersedes:	List document Numbers	Classification	Select Clinical/Corporate/Employment
LOCCSIP Reference:		NATSSIP standard:	List standard (NATSSIPS Standards)		
Version No:	Date of EqIA:	Approved by:		Date Approved:	Date made active:
1		Sustainable Resource Committee			

Brief Summary of Document:	This document is one of a series of financial procedures providing clear process to be followed. It outlines the process to be followed if lost property is found on Hywel Dda University Health Board premises.
Scope	Hywel Dda University Health Board wide

To be read in conjunction with:	Standing Orders. Standing Financial Instructions. Other Financial Procedures
Patient information:	

Owning committee/group	Finance Directorate
Executive Lead:	Huw Thomas Director of Finance

HYWEL DDA UNIVERSITY HEALTH BOARD

Reviews and updates		
Version no:	Summary of Amendments:	Date Approved:
1	New Procedure	

Glossary of terms

Term	Definition

Keywords	Property

FRAUD, BRIBERY AND CORRUPTION

All staff are required to comply with the Health Boards policies and procedures and apply best practice in order to prevent Fraud, Bribery and Corruption. Staff should be made aware of their own responsibilities in protecting the Health Board from these crimes.

All staff have a duty to notify the Local Counter Fraud Department of any suspected fraud or inappropriate actions and are protected by the AW Raising Concerns (Whistleblowing) Policy. Anyone who suspects fraud or has any concerns reference Fraud Bribery and Corruption can make a referral by contacting the Counter Fraud Department by either of the following methods;

- Telephoning the office on 01267 266268,
- Emailing HDUHB.CounterFraudTeam.HDD@wales.nhs.uk ,
- Making an online referral at <https://reportfraud.cfa.nhs.uk> or
- Making an anonymous referral by telephoning Crimestoppers on 0800 028 40 60.

Staff should refer to the Counter Fraud, Bribery and Corruption Policy for further information.

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HYWEL DDA UNIVERSITY HEALTH BOARD

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HYWEL DDA UNIVERSITY HEALTH BOARD

1. INTRODUCTION

Money, valuables, or other chattels which have been lost, are, from time to time, found on UHB premises. In the event of any such an object being found, the action to be taken should be in accordance with the following procedure.

2. SCOPE

This procedure is Hywel Dda University Health Board wide.

3. OBJECTIVES

To ensure financial probity and clarity of accountability in the organisation.

4. RECEIPT OF PROPERTY

All lost property should be handed in to the General Office or, in the absence of a General Office facility, the office of the designated Locality Manager/Officer.

If that property is a sum of money, the full amount of that sum should be receipted and banked. A copy of the receipt should be given to the finder.

A register of cash and articles handed in should be kept in the General Office or the office of the designated Locality Manager/Officer.

In all instances of property of a significant value being found on UHB premises and handed in, it is the responsibility of the General Office or Locality Manager / Officer to report the find to the local police (in case the owner makes enquiries with them rather than with the UHB).

5. DISPOSAL/HANDOVER OF PROPERTY

All reasonable efforts must be made to determine proof of ownership. On handover to the declared owner, an indemnity form (Appendix A) must be completed.

Where articles are found on UHB property and not claimed for a period of six months, arrangements should be made to obtain a valuation. If the items are of little intrinsic value (less than £5), they may be returned to the finder, and if the article is of some value, then the Director of Finance will arrange for its sale.

In the event of the owner not being traced at the expiry of twelve months, it is agreed to reward the people finding the property 25% of the money or 25% of the value of proceeds of the sales of the articles. Appendix A should be completed by the finder, with a copy sent to finance.

6. FINANCE FUNCTION

Upon receipt of the completed Appendix A form, finance will arrange for the 75% to be moved from the Lost property Balance sheet code to an appropriate code within the Health Board.

HYWEL DDA UNIVERSITY HEALTH BOARD

7. APPENDIX A- MONEY AND ARTICLES FOUND ON HEALTH BOARD PROPERTY INDEMNITY



Money and Articles found on Health Board Property INDEMNITY

In consideration of the Hywel Dda University Health Board releasing to me:

Description of Property (if money, please state amount)
.....
.....

Found on Health Board property, I hereby undertake to indemnify the Hywel Dda University Health Board and keep the Health Board indemnified against all actions, proceedings, claims or demands whatsoever which may be taken or made against it by any person claiming to be the true owner of the property or money released and against any costs or expenses whatsoever which may be incurred or become payable in respect thereof.

SIGNED.....

WITNESSED.....

DATE.....

FULL NAME AND ADDRESS
.....
.....
.....



Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

FP 16/02

PROVISION OF HOSPITALITY

Procedure Number:	096 16/02	Supersedes:		Classification	Financial
Version No:	Date of EqlA:	Approved by:	Date Approved:	Date made active:	Review Date:
2		Sustainable Resources Committee			

Brief Summary of Document:	This document is one in a series of financial procedures providing clear process to be followed.
Scope	Hywel Dda University Health Board wide

To be read in conjunction with:	Standing Orders Hywel Dda University Local Health Board Standing Financial Instructions Standards of Behaviour Policy Counter Fraud, Bribery and Corruption Policy Other Financial Procedures.
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Owning group	Finance Team
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HYWEL DDA UNIVERSITY HEALTH BOARD

Reviews and updates		
Version no:	Summary of Amendments:	Date Approved:
1	New Procedure	01/10/2009
2	Revised	

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FRAUD, BRIBERY AND CORRUPTION

All staff are required to comply with the Health Boards policies and procedures and apply best practice in order to prevent Fraud, Bribery and Corruption. Staff should be made aware of their own responsibilities in protecting the Health Board from these crimes.

All staff have a duty to notify the Local Counter Fraud Department of any suspected fraud or inappropriate actions and are protected by the AW Raising Concerns (Whistleblowing) Policy. Anyone who suspects fraud or has any concerns reference Fraud Bribery and Corruption can make a referral by contacting the Counter Fraud Department by either of the following methods;

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- Making an online referral at <https://reportfraud.cfa.nhs.uk> or
- Making an anonymous referral by telephoning Crimestoppers on 0800 028 40 60.

Staff should refer to the [Counter Fraud, Bribery and Corruption Policy](#) for further information.

HYWEL DDA UNIVERSITY HEALTH BOARD

1. INTRODUCTION AND SCOPE

This procedure outlines the principles that shall apply to the provision of hospitality by Hywel Dda University Health Board (HDdUHB) to both employees and non-employees.

2. GUIDELINES FOR THE PROVISION OF HOSPITALITY

What is Hospitality?

For the purpose of this procedure, hospitality refers to the provision by HDdUHB of food, drink, other refreshments or services for the purpose of satisfying the basic needs of the recipient individuals while on HDdUHB business.

Hospitality shall not be confused with the provision of subsistence to staff as a consequence of business travel. For guidance on this topic, staff should refer to the Expenses Policy.

For guidance in connection with the receipt of hospitality from parties other than HDdUHB, staff should refer to the Standards of Behaviour Policy.

Provision of HDdUHB funded hospitality to employees

Where possible, staff shall be encouraged to bring their own drinks to meetings or to make use of tea and coffee making facilities available on site in order to minimise the requirement for the provision of purchased hospitality.

Light hospitality, limited to sandwiches, fresh fruit (or similar) and soft drinks or tea/coffee may however be provided where all of the following conditions are met:

- A meeting or training event is due to take place over the lunchtime period and is due to last at least 2 hours.
- The meeting or event is being held for NHS business purposes, rather than for social or other purposes.
- Canteen or similar staff dining facilities are not available on the site on which the meeting/event takes place.

More elaborate hospitality may be permitted where funded by contributions from staff.

The provision of hospitality to employees in circumstances outside of the above may result in a taxable benefit-in-kind arising on the employees actually in receipt of the hospitality.

Provision of hospitality to non-employees

Hospitality to non-employees should only be incurred when it is absolutely necessary to do so and shall be limited to the provision of appropriate hospitality to visiting officials or dignitaries.

HYWEL DDA UNIVERSITY HEALTH BOARD

Externally funded hospitality

Even where alternative, external sources of funding is available, all hospitality provided shall remain purely incidental to the primary HDdUHB business purpose of the meeting or event in question.

Before accepting external funding and arranging any resulting hospitality, staff shall consult Financial Procedure FP 16/01 *Sponsorship by the Private Sector* and the Standards of Behaviour Policy, taking into consideration the need to declare any gifts or hospitality received by means of submitting relevant declarations. Care must also be taken to ensure that the provider of the funds is not, nor could be seen to be, an organisation supporting aims in contradiction to those of the NHS.

3. PROCUREMENT OF HOSPITALITY

Goods and services associated with the provision of hospitality shall be procured in accordance with Financial Procedure FP06/01 *Purchase to Pay* and taking into consideration the NHS Wales No Purchase Order (PO) No Payment policy.

4. FINANCIAL ARRANGEMENTS

Unless an appropriate split between budgets can be agreed, all costs associated with the provision of hospitality shall be charged against the budget of the requisitioning manager.

Any VAT incurred in respect of the provision of hospitality to non-employees will not be recoverable, neither will any VAT incurred in respect of the purchase of goods, including food items, purchased for the purpose of providing hospitality to employees.

However, where a service of catering has been contracted for from an external supplier for the purpose of providing hospitality, e.g. a working lunch, for employees only, VAT incurred under the catering contract may be recovered under Contracted-out Services heading 10. Staff shall refer to Financial Procedure FP 06/03 *VAT* for instructions on how to action the recovery of the VAT.

N.B. A service of catering is the provision of prepared, ready-to-eat food and drink by a supplier. This will include event catering, a supplier-prepared sandwich buffet or hot takeaway food. Retail supplies of groceries, including sandwiches, and any supplies of food requiring further preparation by HDdUHB staff, e.g. frozen or “ready” meals, are not services of catering.

5. INTERPRETATION

Any questions regarding the interpretation of this procedure shall be referred to the Director of Finance.

6. AUDIT

The Internal Audit programme shall, from time to time, provide for random checks to ensure this procedure is being adhered to.

Single Tender Action Procedure

Procedure Number:	699	Supersedes:		Classification	Financial
Version No:	Date of EqlA:	Approved by:	Date Approved:	Date made active:	Review Date:
2	8-2-2021	Sustainable Resource Committee	28-02-2021		3 years

Brief Summary of Document:	The Health Board's Standing Orders and Standing Financial Instructions, require that the purchase of all goods and services be subject to competition in accordance with good procurement practice. There may, however, be situations where it is more appropriate to approach a single provider. This procedure sets out the issues to consider and process to be followed when proposing to use a single tender action
Scope	Hywel Dda University Health Board wide

To be read in conjunction with:	Standing Orders & Standing Financial Instructions
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Owning committee/group	Audit & Risk Assurance Committee
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HYWEL DDA UNIVERSITY HEALTH BOARD

Reviews and updates		
Version no:	Summary of Amendments:	Date Approved:
1	New Procedure	01-03-2018
2	Review February 2021	28-02-2021
3	Review November 2021	TBC

Glossary of terms

Term	Definition
STA	Single Tender Action
ARAC	Audit & Risk Assurance Committee

Keywords	Single Tender Action, Single Quotation Action, STA, SQA
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HYWEL DDA UNIVERSITY HEALTH BOARD

1. Introduction

This procedure details the guidelines set for the application and approval process for Single tender action within Hywel Dda University Health Board (HDdUHB).

2. Aim of procedure

Securing value for money, including, through sound procurement is essential across the public sector. It is the Welsh Government's policy that public sector bodies should acquire goods and services through fair and open competition, as that is considered the best way to secure value for money and ensure propriety and regularity.

There may, however, be situations where it is more appropriate to approach a single provider through the use of a single tender/quotation action. This procedure sets out the circumstances where this might be appropriate and aims to ensure that a single tender/quotation action is only undertaken when there is no feasible alternative and due process is followed.

3. Objectives

The Health Board's Standing Orders and Standing Financial Instructions, to accord with the above, require that the purchase of all goods and service be subject to competition in accordance with good procurement practice.

However, in some situations this is not always practical where there are compelling reasons for single sourcing, i.e. compatibility with existing equipment, sole supplier, technical grounds and other risk management issues e.g. the purchase of infusion devices. Single quotations shall be the exception. This procedure outlines

- situations when a single tender action can be considered
- what might be expected to be seen in practice in these circumstances
- factors that indicate a single tender action is inappropriate
- process to follow when the decision to request a single tender action has been made.

4. Scope

This procedure applies Hywel Dda University Health Board wide.

5. Guidelines

Circumstances under which a single tender action can be actioned:

- a) A single firm or contractor of a special character is required
- b) A proprietary item or service of a special character is required.

What you might to expect to see in practice which might indicate a single tender action is appropriate:

- The service/item is follow-up work where a provider has already undertaken initial work in the same area and where the initial work was awarded from open competition;

HYWEL DDA UNIVERSITY HEALTH BOARD

- There is a compatibility issue which needs to be met e.g. specific equipment requirement or compliance with a warranty cover clause;
- There is genuinely only one provider;
- There is a need to retain a particular contractor for real business continuity issues (not just preferences)

The following factors might indicate a single tender action is inappropriate:

- The market is competitive;
- There are no factors suggesting this would secure value for money;
- The single tender action is driven more by time pressure than value for money considerations;
- There is pressure to spend monies late in the financial year;
- There is a familiarity/a relationship with the supplier;
- The total contract value exceeds EU procurement thresholds (currently £663,540 for Social and other specific contracts, £122,976 for Supply, Services and Design Contracts, and £4,733,252 for Works Contracts). (Correct at January 2021 please check with Procurement if the contract is close to these thresholds).

Single tender action shall only be employed following a formal submission and with the express written authority of the Chief Executive, or designated deputy having taken into consideration due regard of procurement requirements. A detailed record shall be maintained by the Chief Executive. All single tender action and extension of contracts must be reported to the Audit Committee.

It should be noted that where the purchase is made against a valid existing All Wales or NHS (or similar) Framework Agreement, subject to the Framework allowing for direct award which must be confirmed with Procurement, it will not be necessary to follow this procedure as these purchases have been subjected to competition.

6. Process for application and approval

- Procurement Services must be consulted prior to any STA application being submitted for approval.
- Where a request is received for Single Tender Action, this should be submitted to the Procurement Department on the attached pro forma. (Appendix 1) Completion of all fields is mandatory and any incomplete forms will be returned.
- The Single Tender Action will be registered on the Procurement Dept's STA Register and will be provided with a reference number.
- The reasons for requesting Single Tender Action (STA) should be clearly stated on the form and all supporting documentary evidence provided. The form should be signed by the budget holder and then countersigned by the County Director, Operational Director or Assistant Director, in accordance with the financial limits prevalent in the Health Board's Scheme of Delegation and Authorised Limits,

HYWEL DDA UNIVERSITY HEALTH BOARD

outlined below, and submitted to Procurement. **Note: the same person cannot request and approve.**

- On receipt in Procurement all due diligence checks will be carried out to ensure that the requirement detailed on the single tender action form meets the required standards, is fit for purpose and demonstrates value for money.
- Once the procurement department have completed their checks, the form is forwarded onto the Use of Resources Group (UOR) for approval. If approved at the UOR group then the Board Secretary will check the form for any conflict of interest / declaration of interest issues, and then cross reference against relevant registers (including locally held Declarations of Interest and Gifts and Hospitality). . Approval is required by the DoF for values under £25k, and for values over £25k approval is required by the CEO or Deputy CEO, or where there is a conflict of interest the DoF.
- This is in line with the Health Board's Scheme of Delegation and Authorised Limits, outlined in Appendix 2 below and on the intranet [Standing Orders and Standing Financial Instructions - Hywel Dda University Health Board \(nhs.wales\)](#).
- Applications relating to Use of Consultancy services should also refer to the Financial Procedure FP21-01 Use of Consultancy.
- Once the STA is fully approved the form shall be returned to Procurement for completion. On completion the STA requestor will be asked to generate a requisition on the Oracle system so that Procurement can issue an order number to cover.
- A register must be kept by Procurement for monitoring purposes.
- A report on a quarterly basis will be sent to the Health Board's Audit & Risk Assurance Committee (ARAC) detailing the approved Single Tender Actions (excluding maintenance contracts which are not required to be reported upon) during the specific quarterly period. This includes extension of contracts, which must be reported to ARAC.

7. Scrutiny

The Audit & Risk Assurance Committee will consider the following when reviewing STAs:

- There is sufficient evidence/assurance that the process has been followed in accordance with the guidelines above and that the information provided on the STA is complete and accurate;

HYWEL DDA UNIVERSITY HEALTH BOARD

- The STA has been approved by the Use of Resources Group
- There is a clear basis for each STA including how the DoF/CEO reached their conclusion and there is evidence of proper consideration of the indicators above.
- Where issues are identified, to consider the next steps such as escalation to the Board.
- Any concerns reference Fraud, Bribery and Corruption should be reported to the Health Board's Counter Fraud Department in line with the Counter Fraud, Bribery and Corruption Policy.

HYWEL DDA UNIVERSITY HEALTH BOARD

8. APPENDIX 1 - SINGLE QUOTATION/TENDER REQUEST FORM

SECTION 4

FOR COMPLETION BY HEAD OF PROCUREMENT

The diagram consists of a large rectangle divided into four quadrants by a vertical and a horizontal line. The top-left quadrant is shaded gray. The bottom-left quadrant contains a single black dot. The bottom-right quadrant is divided into two smaller rectangles by a vertical line, with the left one shaded gray and the right one white.

APPENDIX 1 – SINGLE TENDER ACTION FORM

HYWEL DDA UNIVERSITY HEALTH BOARD SINGLE QUOTATION/TENDER REQUEST FORM

REFERENCE NUMBER: HDD.....



PLEASE ENSURE PROCURMENT ADVICE HAS BEEN SOUGHT BEFORE COMPLETING SINGLE QUOTATION / TENDER APPLICATION

SECTION 1 To be completed by the Budget Holder

REQUEST TO WAIVE : Please delete as appropriate	Single Quotation	Single Tender
Name:		
Title:		
Ward / Department:		
Contact no:		
Budget Holder:		
Reasons why waive of Standing Financial Instructions is being sought? (delete or cross through as relevant) :		
a)	There is genuinely only one supplier	
b)	Compatibility with existing equipment e.g. specific equipment requirement	
c)	Interim arrangements pending tender exercise	
d)	Maintenance of existing equipment eg compliance with warranty cover clause	
e)	Technical Grounds	

f)	Continuity of service/goods – there is a need to retain a particular contractor for real business continuity issues (not just preference)		
g)	The service / item is follow up work where a provider has already undertaken initial work in the same area and where the initial work was awarded from open competition		
'Urgency' is not generally regarded as a valid reason for the avoidance of a competitive exercise			
Background: Reason for single supplier & details of any alternatives considered & reasons for their rejection (supplier(s) details required)			
Explicit reasons as to how 'Value for Money' will be achieved when services are provided by a single supplier. <i>Sufficient detail should be provided in this section or the request will be returned</i>			
Have any trials / evaluations been undertaken within the Health Board? N.B Appropriate advice should be sought from Procurement in advance of trials being undertaken	Yes / No	If Yes please state the evaluation number :	
If Yes please give full details of the evaluation. Including whether or not any relevant Groups have been made aware of this evaluation (please state)			
Consequence and impact if this Single Tender Action request is not approved:			

Proposed supplier (name & address):			
PLEASE PROVIDE DETAIL OF GOODS (including model no. where appropriate) / SERVICES / WORKS REQUIRED:			
IF SERVICES, IS THIS FOR CONSULTANCY AND OR INDIVIDUAL	Yes/ No	If yes an IR35 assessment must be completed. IR35 applies?	Yes/ No or not applicable (Completed form should be attached to this request)
Proposed agreement period including end dates. NB: Approval cannot be granted retrospectively.			
UNIT COST / ANNUAL COST:			

TOTAL COST (inc. delivery & VAT):			
WHOLE LIFE COSTS: (Please state all additional goods/services/works that may be required during the life of the goods/service/works being requested here. E.g. Maintenance, Consumables etc.)			
New or Replacement Equipment/Service: (Please state)			
Life Expectancy of equipment (if applicable)			
Is this a recurring requirement?	Yes / No		
What is the length of the proposed agreement? (if applicable)			
Will there be a requirement to extend?	Yes / No If yes give details		
SOURCE OF FUNDING: (Revenue/Capital/Charity etc.)		Please provide Financial Code:	
Breakdown of estimated capital and on-going revenue charges per annum. NB: Please ensure your Finance Team are consulted before submitting form			
Have any revenue consequences (particularly staffing or maintenance implications) been agreed?	Yes / No If yes give details		
Any other financial consideration to be declared e.g. risks to ongoing funding, savings: cash releasing, cost avoidance, cost pressure, VFM impact.			
<i>I have delegated responsibility for the non-pay expenditure budget specified above. I confirm that sufficient funding is available within the budget code specified, and authorise the expenditure to be coded accordingly.</i>			
Signature of budget holder:			
PRINT NAME:			
POSITION:			
DATE:			

**** BUDGET HOLDER TO COMPLETE****

SECTION 2 DECLARATION OF INTEREST

The Health Board is obliged to ensure that all procurement processes are carried out in accordance with the public procurement rules and NHS Wales's guidance. Where an employee is engaged in a procurement exercise a formal declaration is required to confirm that there is no potential interest which may give rise to a conflict.

Please confirm the following statements are correct:

✓ x

1.	Neither I, my family, friends, acquaintances or work colleagues involved in this process, will receive any benefit or gain (financial or otherwise, directly or indirectly) if the contract is awarded to any of the bidders involved in the process as they become known.	
2a.	I have no material interest in whether the contract is awarded or not.	
2b.	I am not in possession of any Additional Information in respect of the procurement process. (Save for the information in the 'Additional Information box below)	
3.	I currently do not benefit in any way, financially or otherwise, including (but not limited to) the receipt of a grant or outside funding, that could influence my decision in respect of the procurement or any of the bidders involved in this process.	
4.	I have not received hospitality (other than of a nominal value or that declared in the register of gifts and hospitality maintained by Corporate Management) or any material gifts, as outlined in the LHB's Standards of Behaviour Framework Policy from any of the bidders involved in the process.	
5.	I have read, understood and will abide by the NHS Guidance entitled "Standards of Business Conduct for NHS Staff" (DGM (93)84) and the LHB's Standards of Behaviour Framework Policy.	
6.	By signing this declaration I understand that it is my responsibility that should my circumstance change or a new relationship be established in relation to any bidding organisation, I will consult with the Lead Procurement contact and am aware that I may be required to complete a new Declaration of Interest or be required to withdraw my participation.	
7.	I will keep the identities of the bidders, the content of the bids and procurement documents confidential.	

I hereby certify that, to the best of my knowledge and belief, the statements set out above are correct. I understand that any failure on my part to declare an interest in a contract or otherwise to breach the rules and instructions mentioned above is a serious matter and could result in further legal or professional action being taken against me, including (but not limited to):

- Exclusion from the current procurement exercise and future procurement activities
- For LHB employees, it could result in disciplinary proceedings being initiated.
- Should the matter involve issues that are of a criminal nature e.g. fraud, bribery or corruption then the LHB will notify the appropriate authority to take any necessary action which may include prosecution.

Signature:
PRINT NAME:
POSITION:
DATE:

SECTION 3 AUTHORISATION BY COUNTY DIRECTOR / OPERATIONAL DIRECTOR / ASSISTANT DIRECTOR

Signature:
PRINT NAME:
POSITION:
DATE:
ANY COMMENTS:

PLEASE NOTE: STA requests cannot be processed unless supported by the above signatures.

If you have any queries regarding completing this form please contact one of the following:-

Action point address – NWSSP.HywelDda.Procurement@wales.nhs.uk

Once completed please e-mail Action Point

Note: Contracts should not be awarded until the single quotation/tender action has been approved.

Please refer to 699 [Single Tender Action Procedure](#) for full guidelines.

SECTION 4 PROCUREMENT CHECKS – TO BE COMPLETED BY HEAD OF PROCUREMENT

	✓ x
a) Equipment - All checks carried out to ensure that the equipment meets required standards and is fit for purpose	
b) Other Services - All checks carried out to ensure that the service to be delivered is compliant with regulatory procedures, including compliance of HMRC IR35 rules where services such as consultancy contracts are involved and that all the usual employment checks have been undertaken.	
c) The contract value does not exceed EU procurement thresholds	
d) Is there another alternative option?	
e) Any other Comments	

CONFIRMATION OF REVIEW BY HEAD OF PROCUREMENT:

Signature:
Date:

SECTION 5 USE OF RESOURCES GROUP (All STA forms to be forwarded to UOR group)

UOR GROUP APPROVAL	YES / NO
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SECTION 6 BOARD SECRETARY DECLARATIONS / CONFLICT OF INTEREST CHECK

CONFLICT OF INTEREST?	YES / NO
ANY COMMENTS (including any conditions/future actions):	

CONFIRMATION BY BOARD SECRETARY:

Signature:
Date:

SECTION 7 DIRECTOR OF FINANCE APPROVAL

REQUEST SUPPORTED?	YES / NO
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SUPPORTING or REJECTION COMMENTS (including any conditions/future actions):	
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DIRECTOR OF FINANCE APPROVAL:

Signature:
Date:

AND

**CEO or DEPUTY CEO FOR APPROVAL OVER £25,000 or WHERE THERE IS A CONFLICT OF
INTEREST FOR THE DoF:**

Signature:
Date:

9. APPENDIX 2 – SCHEME OF DELEGATION

Description	Specific	More information	Welsh Government	Board (following CEO/ET approval)	Charitable Funds Committee	Charitable Funds Sub-Committee	Capital, Estates and IM&T Sub-Committee	Chief Executive and Executive Team	CEO (or Deputy CEO) and DoF	Chief Executive Officer (CEO)	Director of Finance (DoF)	Executive Directors	Other Officers as delegated by Executive Directors	Notes
		Budgetary Control Procedure	Any expenditure approval must be within funding limits of approved budgets. Budget holders are responsible for providing services within the available financial resources delegated to them and are held accountable for managing within the budget.											
Budget Changes	Transfers between budget managers	Budgetary Control Procedure		>£1m				>£0.5m≤£1m	≤£0.5m	≤£0.5m				
General Non-pay Expenditure	The values refer to individual orders / requisitions (for the total life of the contract) Goods or services should be sourced from the approved catalogue or if this is not possible via a public sector contract framework. Where an item is not on catalogue or framework Procurement Services should be requested to undertake quotation / tendering exercise. All orders for goods and services must be accompanied by an official order number in accordance with the No PO, No Pay policy.	No PO, No Pay Policy	> £1m	> £1m				>£0.5m≤£1m	>£0.5m≤£1m	≤£0.5m	≤£0.5m	≤£0.1m	Refer to Cost Centre Structure Purchasing Approval	In addition to delegated limits competition requirements apply when procuring goods. Advice should be sought from Procurement before entering into or extending existing contracts as the ability to extend is not automatic.
Healthcare agreements	NHS - These are agreements that the UHB will enter into to commission healthcare services for its resident population from other NHS providers.	New contract or variation to existing contract		>£10m (below £10m retrospectively reported)				>£0.5m≤£10m	>£0.5m ≤£5m	≤£0.5m	≤£0.5m			
Healthcare agreements	Private sector For contracts >£1m WG must approve before contract is awarded	New contract or variation to existing contract	> £1m	> £1m				>£0.5m≤£1m		≤£0.5m	≤£0.5m			
Healthcare agreements	Primary Care Contracts (General Medical Services and Community Pharmacy) Dental follows competitive procurement process	via the Primary Care Applications Committee		✓										
Leases	Property or equipment leases			>£0.5m (plus any that need signing under seal) Reservation of power				>£0.25m≤£0.5m		>£0.1m≤£0.25m	>£0.1m≤£0.25m			
Consultancy	External consultancy		> £1m	>£0.025m≤£1 m				>£0.025m≤£1m		≤£0.025m	≤£0.025m	≤£0.025m		
Special (ex-gratia) payments	Ex-gratia payments are payments which a Health Body is not obliged to make or for which there is no statutory cover or legal liability. These limits are for ex gratia payments for personal property claims relating to both patients and staff.	Losses and Special Payments Procedure	>£0.05m								>£250≤£0.05m		Directorate Managers ≤ £100 General Managers ≤ £250	
Losses/special payments	Different limits apply dependent on category of claim with approval required from WG For Personal Injury/Clinical Negligence refer to the Claims Management Policy	Losses and Special Payments Procedure	✓					>£0.5m≤£1m		≤£0.5m				Terminations to £50k DW&OD else to WG; VERS RATS Committee Limits relate to items below referral to WG thresholds
Single Tender/Quotation Action	Goods and services should be procured through fair and open competition to secure value for money and ensure propriety and regularity. However, there may be situations where it is more appropriate to approach a single provider through the use of a single tender/quotation action (STA/SQA). A STA/SQA should only be undertaken when there is no feasible alternative and due process is followed.	Single tender action procedure						>£0.025m		≤£0.025m				Single Tender Action must be approved by DoF (and CEO for spend >£25k) following scrutiny by Board Secretary. Retrospective Reporting to Audit Committee
Staffing	Increase in establishment								Can approve posts across HB	Can approve posts within own structure in line with delegated budget and limits				
	Agency and waiting list initiatives								Can approve posts across HB	Must be agreed in advance within the limit of their approved budget and funded establishment unless authorised to do so by the Chief Executive				
Charitable Funds	Expenditure from charitable funds is exclusively for charitable purposes. The expenditure shall satisfy both the objects of the relevant registered charity and the deed of trust of the specific fund. A 'Request for charitable funds expenditure' form needs to be completed in the first instance detailing the item of expenditure and justification for spend, ensuring spend is eligible. All items of expenditure, will need to be approved prior to the expenditure being incurred by the appropriate authorisation level. The procedure for requisitioning any items or service using money held in charitable funds is identical to that for exchequer funds, therefore all procurement policies apply equally.	Charitable Funds Policy and Procedure (new policy under development)		>£0.1m	>£0.05m<£0.1m	>£0.01m<£0.05m							Refer to Charitable Funds authorised signatory list	Expenditure over £0.1m will be approved by the Board acting as the Corporate Trustee
Capital	Property, Plant and Equipment should be capitalised if the cost of the item is ≥ £5,000. This includes assets which individually may be less than £5,000 but together form a single collective asset (grouped asset) with a group value of ≥ £5,000 (including VAT where this is not recoverable) that fulfil the following criteria - the items are functionally interdependent; the items are acquired at about the same date and are planned for disposal at about the same date; the items are under single managerial control; and each individual asset thus grouped has a value of at least £250, however this de minimus value does not apply in dealing with the initial equipping of hospitals. IT Assets - IT hardware may be considered interdependent if it is attached to a network, even if capable of stand-alone use. In effect all IT equipment purchases, where the final three criteria above apply, will be capitalised.	People, Planning & Performance Assurance Committee consider proposals from the Capital, Estates and IM&T Sub Committee on the allocation of capital and agree recommendations to the Board.	Approval required for projects outside Discretionary Capital Programme (DCP) and schemes >£1m in DCP	Overall Strategy and schemes >£1m			Capital projects/scheme s must be approved by the Sub-Committee before sign off via the Scheme of Delegation.	>£0.5m≤£1m		≤£0.5m			Refer to Capital Cost Centre Structure Purchasing Approval	