

Reference:	FOI.443.19
Subject:	Construction contracts
Date of Request:	29 March 2019

Requested and Response:

The questions below relate to the construction contracts you have entered into since 1 January 2017.

1. What are the typical payment terms in the contracts you have entered into (please choose one answer from the below):

- a. less than 30 days from payment application date
- b. 30 days from payment application date
- c. more than 30 days from payment application date

Hywel Dda University Health Board (UHB) works in line with Welsh Government NHS Designed for Life Building for Wales Frameworks, which align with option a of your question.

If your answer to the above question is more than 30 days please state the number of days from payment application.

2. Do you offer any early payment facility through a bank or other 3rd party financial services provider?

The UHB does not offer an early payment facility, all payments are made by BACS transfer.

3. If you offer an early payment facility what are the fees charged to contractors for using the facility?

Please see response to question 2.

4. Do you take any steps to insist that your main contractors pay their sub-contractors within 30 days from payment application date?

No, compliance with the payment terms of the contract is the responsibility of the main contractor.

5. If you have responded "yes" to the above question, what steps do you take? (Please give reasons if you do not take any steps)

Under NHS Designed for Life Building for Wales Framework principal mechanical and electrical (M&E) systems installer's contract aligns with the Supply Chain Partners contract payment terms.

6. Do you take any steps to monitor the payment performance of your main contractors with regard to their sub-contractors?

No, please see response to question 4.

7. If you have responded “yes” to the above question what steps do you take? (Please give reasons for not taking any steps)

Please see response to question 4.

8. What steps (if any) do you take to deal with a main contractor which ignores any requirements you have insisted upon with regard to payment to sub-contractors or whose payment performance is generally poor?

There are no steps taken by the UHB to manage any poor payment performance by a contractor through the Designed for Life Building for Wales Schemes.

9. With regard to your answer to question 9, how many occasions have you had to resort to the use of such steps? If your answer to question 9 was in the negative please give reasons for not taking any steps.

Not applicable

10. Have you used project bank accounts?

No, the UHB has not used project bank accounts.

11. Do you intend to use project bank accounts? (If no, please give reasons)

Designed for Life Building for Wales project bank account pilot schemes are currently being considered. Should the pilot schemes be introduced as a framework requirement, project bank accounts would be implemented throughout NHS Wales.