

SUSTAINABLE RESOURCES COMMITTEE UPDATE REPORT

Date of last meeting: 30 April 2024

Quoracy: Met

Report by: Mr Winston Weir, Chair

KEY DISCUSSION POINTS AND MATTERS TO BE ESCALATED FROM THE DISCUSSION AT THE MEETING:

Alert¹ (may require discussion)

The Sustainable Resources Committee wish to **alert** members of the Board that:

- **Healthcare Contracting and Commissioning** – to alert the Board that following the cessation of the provision of the non-drug allergy service on 1 November 2023, the Health Board has been unable to source an alternative arrangement. In the interim, referring clinicians are able to utilise the ‘prior approval’ route with the majority of the 35 allergy referrals since November 2023 being made to the University Hospital Birmingham.

Advise² (to monitor)

The Sustainable Resources Committee wish to **advise** members of the Board that:

- **Financial Report** – further Deep Dives into areas such as medical locum expenditure and other workforce issues, specifically relating to medical and nursing staffing were required to be able to provide the Committee with a greater level of assurance. These have been included on the agenda for the next meeting.
- **Deep Dive: Savings Plan** – progress on the implementation of the Health Board’s Annual Plan and Savings Plan would be reviewed at the June 2024 SRC meeting to assess the de-risking of savings schemes to produce fully identified savings schemes to assist the delivery of the Plan. At this point the Board are advised that there is not a clear line of sight to the £64m or to the lower Welsh Government Control total.

Assure³ (to note)

The Sustainable Resources Committee wish to assure members of the Board that:

- **Financial Report** - the Financial Position as of Month 12 2023/24, the draft unaudited end-of-year financial position against the Annual Plan, was noted and the Committee noted the financial forecasting of the Finance Directorate with a minor underspend against the Health Board’s Capital Resource Limit (CRL) and that the Health Board’s cash position was broadly in balance and

¹ There is a lack of confidence that any action in place is sufficient to address the issue satisfactorily and/or within the scope of the operational team or executive to resolve. Engagement, action or intervention required.

² There are areas of concern where assurance has been taken on actions in place but requires close monitoring. An early warning of an emerging and potentially serious concern.

³ There is confidence that actions are robust and will be sufficient to address the issue or generally operating effectively. Routine monitoring.

had not been overdrawn at any point with a cash deficit being managed with Welsh Government (WG) support.

- **Core Delivery Group and Financial Control Group Update** – the Committee took assurance from the update from the Core Delivery Group and that the recruitment of Internationally Educated Nurses (IEN) at Worthybush Hospital (WGN) would release a cash saving of £2.08m from 2025/26 and the recruitment of substantive nursing positions to replace agency nurses would result in a saving of £680k.
- **Healthcare Contracting and Commissioning** – the Committee received assurance from the mitigating actions detailed in the Healthcare Contracting and Commissioning Report, especially around the proposal to rebase the Long Term Arrangement (LTA) contract with Velindre Cancer Centre (VCC) and the working arrangements of the Service Level Agreement (SLA) with Swansea Bay University Health Board (SBUHB) around the Dual Energy X-Ray Absorptiometry (DEXA) scanning and reporting provided by Swansea Bay University Health Board (SBUHB).

Review of Risks

The Committee were advised of the risk of recurrent funding conditional on the Health Board of meeting its £44.8m deficit control total not being provided in 2024/25 due to the Health Board not meeting its deficit control total in 2023/24.

Sharing of Learning

None.

Recommendation

The Board is asked to note the report.

Agenda, papers and minutes are available on our website: [Sustainable Resources Committee \(SRC\)](#)



**CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	30 May 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Procurement Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Executive Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Katharine Fletcher, Deputy Head of Procurement

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

Ar Gyfer Penderfyniad/For Decision

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

The purpose of this report is to inform the Board of the commencement of a procurement exercise for Dental Services and of the outcome of the following recent procurement exercises for Fuel Cards and the Gluten Free Subsidy Card Scheme which have been undertaken on behalf of Hywel Dda University Health Board (HDdUHB):

1. Provision of Dental Services for Hendy Gwyn, Haverfordwest and Carmarthen
2. All Wales Fuel Cards
3. All Wales Gluten Free Subsidy Card Scheme

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

Cefndir / Background

1. Provision of Dental Services for Hendy Gwyn, Haverfordwest and Carmarthen

Proposed commencement of tenders

Location	Contract Number	Annual Contract Value	Initial Total Contract Value	Extension Option Value	Total Contract Value
Hendy Gwyn (South Pembrokeshire)	1124880001	£500K	£2. 5M	£2. 5M	£5M
Haverfordwest (North Pembrokeshire/ South Pembrokeshire Boarder)	1163000002	£500K	£2. 5M	£2. 5M	£5M
Carmarthen	1007370000 and 2829280001	£500K	£2. 5M	£2. 5M	£5M

2. All Wales Fuel Cards

Proposed outcome

Duration of Contract	Proposed Supplier (s)	Current Annual Local Contract Value	Current Total Local Contract Value	Proposed Annual Value of New AW Contract	Proposed Total Value of New AW Contract
1 July 2024 to 30 June 2028	Allstar Fuel	£251,164.58	£502,329.16 (current contract is local and for two (2) years)	Estimated £251,164.58 (exc VAT) P/A based on current consumption and current fuel costs.	Estimated £1,004,658.32 (ex VAT) across four (4) years based on current consumption and current fuel costs.

3. All Wales Gluten Free Subsidy Card Scheme

Proposed outcome

Duration of Contract	Proposed Supplier (s)	Current Annual Local Contract Value	Current Total Local Contract Value	Proposed Annual Value of New AW Contract	Proposed Total Value of New AW Contract
1 July 2024 to 30 June 2027 with a proposed one-year extension	Allpay Ltd	£264,647.27 exc VAT	£1,058,589.06 exc VAT	£263,330.04 exc VAT.	£782,233.36 + VAT for a three-year term. £1,045,563.00 + VAT for a three-year term and proposed one year extension. Year one includes a one-off card fee.

Asesiad / Assessment

Tender Process

Provision of Dental Services for Hendy Gwyn, Haverfordwest and Carmarthen

From April 2006, Local Health Boards assumed full control of the budget for NHS Primary Care Dental Services and have a clear responsibility to secure or provide services for the people in its area to meet all reasonable requirements and provide out of hours services.

During November and December 2023, four General Dental contracts were handed back to Hywel Dda University Health Board (HDdUHB) displacing approximately 17,850 patients. These were a mixture of Units of Dental Activity (UDA) and Dental Contract Reform (DCR) practices. Table A, below, shows the location, patient numbers and contract value of the effected practices. Note: two contracts were handed back for Carmarthen, these will be combined into one contract.

Table A

Location	Number of Patients	Estimated Annual Contract Value
Hendy Gwyn (South Pembrokeshire)	5,600	£500,000.00
Haverfordwest (North Pembrokeshire/South Pembrokeshire Boarder)	6,500	£500,000.00
Carmarthen	5,750	£500,000.00

A total of three separate tender exercises will be run in order to award independent contracts for each location.

The services will meet the requirements of the contract terms of Hywel Dda University Health Board and the Welsh Government model PDS agreement.

Indicative timing plan for these tenders is detailed in Table B, below.

Table B

Activity	Indicative Timing
SRC Approval to Tender	30 April 2024
Board Approval to Tender	30 May 2024
Welsh Government Approval to Tender	Mid-June 2024
Live Tender	Mid-June to Late July 2024
Evaluations	Early August 2024
SRC Approval to Award	27 August 2024
Board Approval to Award	26 September 2024
Welsh Government Approval to Award	Mid-October 2024
Contract Start Date	1 December 2024

In order to provide a quantifiable method of evaluating the qualitative aspects of the bids, a set of weighted criteria will be used based on technical and financial information, which is set out in Table C below:

Table C

Quality / Technical – 100%	
Service Delivery	15%
Partnership Working	22.5%
Quality Assurance	15%
Accessibility	7.5%
Risk Assessment	7.5%
Staffing Structure	7.5%
Foundational Economy	15%
Social Value	10%
Commercial – Pass/Fail	
Bidders to confirm acceptance of the HDUHB average agreed UDA rate of £37.02	Pass/Fail

Responses will be evaluated in accordance with the evaluation criteria set out in the above table. The finance element will be scored on a pass/fail criteria based on the bidder's acceptance to deliver service for the HDdUHB average agreed UDA rate of £37.02. Due to the fixed price set by the Health Board, there are no savings associated with this contract.

All three Dental Contracts will be offered on a minimum term of five years, with an option to extend for a further three plus two years. Maximum Total contract length of ten years.

All Wales Fuel Cards

This contract renewal is to allow Allstar Business Solutions Ltd to continue to supply the Health Board's fuel cards. This Direct Award is being managed by the NHS Wales Shared Services Partnership (NWSSP) All Wales Fleet and Transport Team. The Direct Award is compliant with procurement legislation and the contract will be subject to the Crown Commercial Services (CCS) Framework Terms and Conditions.

Hywel Dda manages a significant number of vehicles for various purposes. Efficient fuel management is crucial for controlling operational costs and streamlining administrative processes. The CCS Fuel Cards and Associated Services VI Framework (Framework Reference: RM6186) addresses these needs by pre-vetting qualified fuel card suppliers, ensuring a standardised and efficient procurement process for public sector organisations.

The All-Wales Framework Contract will run from 1 July 2024 to 30 June 2028.

All Wales Gluten Free Subsidy Cards Scheme

A mini competition was undertaken via the Crown Commercial Services (CCS) Framework Agreement for Payment Solutions: ref RM6248 (Lot 2). The mini competition consisted of the following lots:

- Lot 1 – Hywel Dda UHB

The Requirement was for the provision of a pre-paid subsidy debit card to patients clinically diagnosed as requiring gluten free food products in Wales registered in Hywel Dda University Health Board for a contract term of 3 years with a possible 1-year extension.

- Lot 2 – Optional award of Health Board Requirements

Lot Two (2) was an optional lot detailing all non-participating Health Boards who wish to reserve the right to opt into the Scheme during the term of the contract for the provision of a pre-paid subsidy debit card to patients clinically diagnosed as requiring gluten free food products in Wales registered in the following Health Boards (contract term to be determined at point of variation of the original contract award and to be coterminous with the end of the original award of contract):

- Lot 2a – Aneurin Bevan University Health Board
- Lot 2b - Betsi Cadwaladr University Health Board
- Lot 2c - Cardiff and Vale University Health Board
- Lot 2d - Cwm Taf Morgannwg University Health Board
- Lot 2e - Powys Teaching Health Board
- Lot 2f - Swansea Bay University Health Board

An expression of interest was issued to five providers from the CCS framework agreement to determine capacity and capability to meet the requirements; five providers confirmed they had the capacity to meet the demand and so wished to proceed to tender stage.

The tender was issued on 7 February 2024 via the Bravo e-tender Wales portal with a deadline for responses of 23 February 2024 Following the deadline; the following two providers submitted a tender response:

- AllPay Limited
- Hawk Incentives Limited

The evaluation panel took place virtually on 8 March 2024, and consisted of the following evaluators who reached a consensus score and comment for all bidders' responses:

- Ceri Evans, Head of Transaction Services, Primary Care Services, NWSSP Procurement Services
- Carwen Jarman, Senior Finance Business Partner (Unscheduled Care), Hywel Dda UHB
- Alison Jones, Clinical Lead Medicines Management Dietician, Hywel Dda UHB

Bidders' written responses were evaluated and scored in accordance with the evaluation criteria as set out within the invitation to tender document, namely:

Award Criteria	Weighting
Technical Evaluation	30%
Commercial Evaluation (pricing)	60%
Social Value	10%

It is recommended that the contract for the Gluten Free Subsidy Card Scheme be awarded to AllPay Limited (the current provider to Hywel Dda), as the bidder with the best overall score.

Argymhelliad / Recommendation

The Board is requested to:

- **APPROVE** to proceed to commence the tender for the Provision of Dental Services for Hendy Gwyn, Haverfordwest and Carmarthen listed above to provide services from 1 December 2024 up to 30 November 2029 or with Extension to 30 November 2034, these contracts will have onwards submission to Welsh Government for approval.
- **RATIFY** the award of the All-Wales Fuel Cards from 1 July 2024 to 30 June 2028 to Allstar Business Solutions Ltd. This contract will have onwards submission to Velindre NHS Trust (as hosts of NHS Wales Shared Services Partnership) and Welsh Government for approval.
- **RATIFY** the award of the All-Wales Gluten Free Subsidy Cards Scheme from 1 July 2024 to 30 June 2028 to AllPay Limited. This contract will have onwards submission to Velindre NHS Trust (as hosts of NHS Wales Shared Services Partnership) and Welsh Government for approval.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	N/A
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	9. All HDdUHB Well-being Objectives apply

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termiau: Glossary of Terms:	AW – All Wales DCR – Dental Contract Reform FTS – Find a Tender Service ITT – Invitation to Tender NWSSP – NHS Wales Shared Services Partnership PCR – Public Contract Regulations 2015 PDS – Personal Dental Services UDA – Unit of Dental Activity
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Sustainable Resources Committee (SRC)

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not Applicable

Answadd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Not Applicable
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Not Applicable
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable