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Swansea Bay University  
Health Board



<b>Meeting Date</b>	<b>24 February 2022</b>	<b>Agenda Item</b>	<b>2.2</b>
<b>Report Title</b>	<b>Third Sector SLA Funding 2022/23</b>		
<b>Report Author</b>	Nicola O'Sullivan, Head of Partnerships and Engagement		
<b>Report Sponsor</b>	Siân Harrop-Griffiths, Executive Director of Strategy		
<b>Presented by</b>	Siân Harrop-Griffiths, Executive Director of Strategy		
<b>Freedom of Information</b>	Open		
<b>Purpose of the Report</b>	<p>The Health Board has long established, constructive and mature relationships with the voluntary sector.</p> <p>Prior to the introduction of the 'No PO No Pay' policy across NHS Wales in October 2018, all invoices were authorised manually and coded for payment without the requirement of a purchase order.</p> <p>The Board agreed to the revised recommissioning timeline of April 2021 to March 2023 due to boundary changes and the COVID pandemic and work is progressing in line with the revised timeline.</p> <p>The Health Board has legacy SLA arrangements in place for all Voluntary Third Sector providers. The voluntary sector SLAs will need to be extended to 2022/2023 and these arrangements will need to be confirmed with providers following Health Board approval. These arrangements will be in place for the next financial year and the third sector framework will be in place for 2023/24.</p> <p>The annual recurring Voluntary Sector funding is approximately £2.3m. These monies are ring-fenced, meaning any such monies released can only be made available in an equitable manner to deliver third sector requirement. In recent years there has been no uplift and no cost improvement to existing SLAs. For 2022/23 the Health Board will work with third sector organisations to drive down costs where possible, whilst maintaining the ringfence, and seek to create opportunities for further investment of savings.</p>		

<b>Key Issues</b>	<ul style="list-style-type: none"> <li>• In May 2021 the Board agreed to the revised timeline of April 2021 to March 2023 for the recommissioning of the voluntary sector arrangements and the development of a third sector framework. This paper enables ongoing compliance.</li> <li>• The ringfenced funding will be maintained for 2022/23 and this is part of the draft financial plan.</li> </ul>			
<b>Specific Action Required</b> <i>(please choose one only)</i>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>	<b>Approval</b>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Recommendations</b>	<p>The Board is recommended to:</p> <ul style="list-style-type: none"> <li>• Continue current arrangements from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023, to align with the recommissioning timeline and development of the Voluntary Third Sector Framework to be in place by 1<sup>st</sup> April 2023.</li> <li>• <b>AGREE</b> the proposal for funding the SLAs in 2022/23.</li> </ul>			

## **THIRD SECTOR SLA FUNDING 2022/23**

### **1. INTRODUCTION**

The Health Board has long established, constructive and mature relationships with the voluntary sector.

The Health Board has legacy SLA arrangements in place for all Voluntary 3<sup>rd</sup> Sector providers. Prior to the introduction of the 'No PO No Pay' policy across NHS Wales in October 2018, all invoices were authorised manually and coded for payment without the requirement of a purchase order.

The third sector SLAs are being recommissioned, as previously agreed by the Health Board in May 2021. This was originally due to be completed by March 2022, however, due to external factors including the boundary changes and the COVID pandemic the work was not able to progress as anticipated. The Board agreed to the revised recommissioning timeline of April 2021 to March 2023.

It is proposed to extend current arrangements for a further financial year from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 to bring it in line with the revised recommissioning timeline.

### **2. BACKGROUND**

There is an annual, recurring Voluntary 3<sup>rd</sup> Sector funding of approx. £2.3m. These monies are ring-fenced, meaning any such monies released can only be made available in an equitable manner to deliver third sector requirement. In recent years, the steady state position with no uplift and no cost improvement to existing SLAs has been approved by the Board. For 2022/23 the Health Board will work with third sector organisations to drive down costs where possible, whilst maintaining the ringfence, and seek to create opportunities for further investment of savings.

Compliance with the Health Board's Standing Financial Instructions (SFIs) is adhered through:

- All agreements to be entered into the Procurement Contracts Database
- Single purchase orders raised per provider for each SLA to improve payment performance of the Health Board and ensure providers are paid in a timely manner

Due to the changes in the recommissioning timeline, Purchase Orders will still need to be raised for the period up to 31 March 2023, thus ensuring compliance with the 'No PO No Pay' policy.

The voluntary sector SLAs will need to be extended to 2022/2023 and these arrangements will need to be confirmed with providers following Health Board approval. These arrangements will be in place for the next financial year and the third sector framework will be in place for 2023/24. There is close liaison with Procurement Services to ensure appropriate arrangements are put in place ensuring

sustainability and flexibility of service provision. The revised timeline is on track and due diligence work due to be completed by the end of March 2022. The timeline for the completion of this work is included as **Appendix 1**.

### **3. THE ROLE OF THE VOLUNTARY SECTOR IN SUPPORTING DELIVERY OF HEALTH BOARD PRIORITIES**

Our Organisational Strategy describes our ambition for the Health Board over the next 10 years to deliver Better Health, Better Care, Better Lives for our population. It further says “Everything we do, we do better when we work together with our patients and partners”.

Our Clinical Services Plan also highlights the importance of the Health Board focusing on population health, stating that “our ambition is to deliver care that has a much greater focus on wellbeing, self-care, prevention and access to care closer to home, delivering outcomes that matter to our patients and communities.”

These factors are particularly true when we work effectively with the voluntary sector. Their focus and close relationships with communities and their clients means that they are trusted voices which the Health Board benefits from in spreading key messages, hearing about peoples’ experiences so we can improve services and support available, and a focus on the wider public health agenda and issues which contribute to peoples’ health and wellbeing, but which are not about health services but underlying factors such as poverty and the resilience of communities. The voluntary sector consistently focuses on an asset based approach to their work, rather than a deficit based approach as is the case in most statutory organisations, meaning that they work with people to build on the positives in their lives and communities rather than focusing on what is missing or is negative. The sector brings a different and more effective perspective to how we can work with people and communities to make best use of scarce resources, which we need to learn from and apply in our transformational work.

Primary Care Clusters have recognised the effectiveness of working with the voluntary sector on addressing needs within their populations with the wide range of services they have commissioned from them. The Health Board has the opportunity to build on the particular skills of the voluntary sector to enhance the health and wellbeing of its population, but to do so it needs to recognise that the sector has a different style and focus to the NHS, but one which is no less effective nonetheless. This approach reflects that non NHS organisations may be placed better.

During 2022 the voluntary sector has continued to operate, in spite of Covid restrictions, to deliver significant levels of support to the Health Board, to support our work in the NHS and our communities more broadly.

Contract monitoring has continued, with flexibility given for organisations to demonstrate that they are continuing to deliver services, albeit sometimes in different ways and sometimes to respond to new challenges posed by Covid that the Health Board is still receiving services for its population in line with financial allocations.

The strengths of the sector have been fully demonstrated during the Covid-19 pandemic. The voluntary sector has and continue to work with individuals and communities to mobilise and coordinate practical and emotional support as required,

#### **4. GOVERNANCE AND RISK ISSUES**

In May 2021 the Board agreed to the revised timeline of April 2022 to March 2023 for the recommissioning of the voluntary sector arrangements and the development of a third sector framework. This paper enables ongoing compliance.

#### **5. FINANCIAL IMPLICATIONS**

The ringfence would be retained for 2022/23, subject to the work to drive down cost pressures where possible, and identify opportunities for further investment in the third sector. This is included within the draft financial plan for 2022/23.

#### **6. RECOMMENDATION**

The Board is recommended to:

- Continue current arrangements from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023, to align with the recommissioning timeline and development of the Voluntary Third Sector Framework to be in place by 1<sup>st</sup> April 2023.
- **AGREE** the proposal for funding the SLAs in 2022/23.

<b>Governance and Assurance</b>		
<b>Link to Enabling Objectives</b> (please choose)	<b>Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities</b>	
	Partnerships for Improving Health and Wellbeing	<input checked="" type="checkbox"/>
	Co-Production and Health Literacy	<input checked="" type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input checked="" type="checkbox"/>
	<b>Deliver better care through excellent health and care services achieving the outcomes that matter most to people</b>	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input checked="" type="checkbox"/>
	Excellent Staff	<input type="checkbox"/>
	Digitally Enabled Care	<input checked="" type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input type="checkbox"/>
<b>Health and Care Standards</b>		
(please choose)	Staying Healthy	<input checked="" type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input checked="" type="checkbox"/>
	Dignified Care	<input checked="" type="checkbox"/>
	Timely Care	<input checked="" type="checkbox"/>
	Individual Care	<input checked="" type="checkbox"/>
	Staff and Resources	<input type="checkbox"/>
<b>Quality, Safety and Patient Experience</b>		
This procurement process and implementation of the Strategic Framework will ensure that services are provided to a high quality, are safe and patient experience is monitored.		
<b>Financial Implications</b>		
Utilising existing funding allocated to the third sector to commission services which will meet the needs of the residents of Neath Port Talbot and Swansea.		
<b>Legal Implications (including equality and diversity assessment)</b>		
Legal guidance on procurement will be followed		
<b>Staffing Implications</b>		
There are no staffing implications associated with this report or the plans outlined within it.		
<b>Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)</b>		
<p>The actions outlined in the report support the five ways of working outlined in the Act. Swansea Bay UHB is working collaboratively with partner organisations to identify improved ways of working to support the longer term strategic vision of the organisations involved.</p> <p>Changes to services should reflect the needs of the local population and so should have positive impacts for future generations.</p>		
<b>Report History</b>	In addition to the attached SBAR, the Board considered previous reports regarding Partnership working and	

	<p>arrangements in January 2020, September 2020 and May 2021.</p> <p>This report was also discussed at Management Board on 26<sup>th</sup> January 2022.</p>
<b>Appendices</b>	<b>Appendix 1</b> - Timeline for third sector framework

## Appendix 1

Activity	Start	End
Draft tender documentation following engagement	01/11/21	10/02/22
Application to join DPS Framework – suitability to be on the framework	01/03/22	15/04/22
Internal process	25/04/22	30/06/22
Mini competitions for categories and lots under the framework	15/07/22	15/09/22
Internal evaluation of bids	21/09/22	31/10/22
HB Approval and contract award administration	01/11/22	30/11/22
Contract (service) start date	01/04/23	