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Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board



Meeting Date	Audit Committee 20th September 2018	Agenda Item	3.c)
Report Title	NWSSP Procurement : Single Tender Actions & Quotations		
Report Author	Helen James, Head of Procurement / Andrew Biston, Head of Accounting & Governance		
Report Sponsor	Lynne Hamilton, Director of Finance		
Presented by	Lynne Hamilton, Director of Finance		
Freedom of Information	Closed		
Purpose of the Report	To provide details of the Single Tender Actions (STA) and Single Quotation Actions (SQA) approved by the Health Board for the period 17 th July 2018 to 12 th September 2018 and to provide trend information on the number and value of STA's and SQA's.		
Key Issues	<p>During the period 17th July 2018 to 12th September 2018 there were 10 x SQA's and 8 x STA's approved.</p> <p>There is an overall increase in the number of SQA's and STA's approved during this period in 2018/19 as compared to the same period in 2017/18.</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
Recommendations	√		
	<p>Members are asked to:</p> <ul style="list-style-type: none"> Note <p>The SQA's and STA's approved in the period 17th July 2018 to 12th September 2018 and the comparison analysis for the same period in 2017/18 to date.</p>		

1. INTRODUCTION

- 1.1. This report provides the Audit Committee with details of the Single Tender Actions (STA) and Single Quotation Actions (SQA) approved by the Health Board for the period 17th July 2018 to 12th September 2018. The report also provides trend information on the number and value of STA's and SQA's

2. BACKGROUND

- 2.1. Standing Financial Instructions require 3 competitive quotations to be obtained for the purchase of goods and services between the value of £5,000 and £25,000 exclusive of VAT. Where the sum exceeds £25,000 competitive tendering is required for the purchase of goods and services. SQA's and STA's should be an exception and should only be called for when a single firm or contractor or a proprietary item or service of a special character is required and must be formally authorised by the Director of Finance/Director of Strategy/Chief Operating Officer and reported to the Audit Committee.
- 2.2. During the period 17th July 2018 to 12th September 2018 there were 10 x SQA's approved and 8 x STA's as detailed below.

Source	Volume	Value (inc VAT)
STA	8	£343,781.20
SQA	10	£115,940.00

Supplier	Requirement
PrescQIPP CIC	PrescQIPP Prescribing Service
CLOD Ensemble	Training Programme
Oncology Systems Ltd	Quasar Phantom table guide checker
Vitalpulse Ltd	New version of Renal PAS (VitalData). AD integration and bug fixes. VitalData 1.7
UNICEF	BFI accreditation
PTW-UK LTD	Octavius Service Contract for Existing Equipment
City & County of	Bespoke bed for patient

Swansea (was Suresprung Furniture)	
Oncology Systems Ltd	Thorax Support Short 2P
Oncology Systems Ltd	Quasar Penta Guide Software
Ehealth Digital Media Ltd	Patient educational Films
Capita Business Services Ltd	Internet Payment (IP) Automated Telephone, Staff Payment provider
Oncology Systems Ltd	Additional Licences for an Existing Clinical System
Xytex	Supply of Donor sperm for Clinical Treatment
CACI	Renewal of Qlikview Software Licences
Derwent healthcare	12 Replacement Therapy Chairs Ward 11
Allocate Software	Additional Functionality of the Medical Locum Management System to Nurse Bank System
Bioquell	Decontamination of 4 Medical Wards
Getinge	Service contract for Endoscope Washer

- 2.3. Including the SQA's & STA's approved above, the table below identifies the number of STA's and SQA's received for the financial year to 12th September which shows an overall increase in the numbers when compared to the same period in 2017/18 financial year.
- 2.4. The Number of SQA's for 2018/19 is consistent with the number raised during the same period in 2017/18 and are in fact fewer than for the same period in 2016/17 (37). Further analysis shows that there are a number of SQA's given over to clinical service requirements, such as the loan of Orthopaedic instruments, repair and/or upgrade of Medical equipment and the renewal of service contracts. There were four individual SQA's raised on behalf of the

Cochlear Service for the upgrade of cochlear implants/bi-lateral speech processors from Med El, which is funded by Welsh Government (WHSSC), every 6 years. These can all be classed as business critical or essential to patient welfare.

- 2.5. The number of STA's has increased by 4 in comparison with the same period in 2017/18, however, in mitigation, there are a number of ad-hoc STA initiatives this year, such as the purchase of additional licences for Radiotherapy Treatment Planning with Oncology Systems, the bio-decontamination of Medical Wards at Neath Hospital with Bioquell, upgrade to the Medical Locum Management System with Allocate and the replacement of 12 Therapy Chairs with Derwent, funding agreed from Lymphoma Leukaemia Myeloma Fund (Wales). All once again can be classed as either business critical or essential to patient welfare.
- 2.6. The introduction of the "Multiquote" System has enabled Procurement Services to better "test" the validity of SQA requests and as a consequence, a number of SQA's continue to be rejected and competitive bids obtained. Procurement Services continue to seek longer term arrangements to reduce the volume of SQA's processed on an annual basis. In addition, this may bring further savings through a longer term commitment. However, this isn't always possible.

Source	2017/18 – 1st Apr – 12th September Vol.	2018/19 – 1st Apr – 12th September Vol.	2017/18 - 1st Apr – 12th September Value (£)	2018/19 – 1st Apr – 12th September Value (£)
STA	8	14	£592,533.08	753,465.45
SQA	30	31	£279,942.86	£287,418.75
Total	38	45	£872,475.94	1,040,884.20

- 2.7. For the SQA's & STA's approved in the period, each has been reviewed to ensure that value for money has been obtained. A new All Wales STA/SQA template has recently been introduced, which is far more robust in terms of the justification and VFM aspects.

The analysis of each SQA/STA for the period 17th July to 12th September 2018 is detailed below:

Ref	Goods/Services	Value ex. VAT	Supplier	VFM
ABM-SQA-28804-	PrescQIPP Prescribing Service	£7,600.00	PrescQIPP CIC	Sole supplier NHS Funded Service that supports quality

022-DH-18				prescribing for patients. Aligned tariff of charges across the NHS.
ABM-SQA-28804-025-PJ-18	Training Programme	£20,700.00	CLOD Ensemble	Funded from Arts Council Wales Grant which was awarded specifically on the premise that CLOD Ensemble were employed to deliver the training. Also part funded by CLOD & Swansea University
ABM-SQA-28804-026-DS-18	Quasar Phantom table guide checker	£5,352.00	Oncology Systems Ltd	Closed Protocol – sole supplier of this equipment. VFM achieved through reduction in risk to patients.
ABM-SQA-28804-027-AM-18	New version of Renal PAS (VitalData). AD integration and bug fixes. VitalData 1.7	£12,500.00	Vitalpulse Ltd	Closed Protocol – software updates can only be provided by VitalData. Cost of upgrades broadly in line with industry standards and previous costs.
ABM-SQA-28804-028-DS-18	BFI accreditation	£6,200.00	UNICEF	Sole supplier - Globally recognised accreditation program which increases the number of infants and mother breastfeeding within the HB. Improves physical and emotional health outcomes throughout the life course.
ABM-SQA-28804-029-DH-18	Octavius Service Contract for Existing Equipment	£9,980.00	PTW-UK LTD	Closed Protocol – the equipment can only be serviced by PTW-UK Ltd as the original equipment manufacturer. Cost in line with industry standards.
ABM-SQA-	Bespoke bed for patient	£5,480.00	City & County of	Specialist piece of equipment to meet

28804-030-DS-18			Swansea (was Suresprung Furniture)	the specific needs of the patient. Without it, patient would most likely be admitted to Hospital for respiratory infection and other secondary complications.
ABM-SQA-28804-031-AT-18	Thorax Support Short 2P	£20,276.00	Oncology Systems Ltd	Closed Protocol - equipment can only be supplied by Oncology Systems for use with existing, as they are the original OEM pricing in line with industry standards.
ABM-SQA-28804-034-PJ-18	Quasar Penta Guide Software	£5,352.00	Oncology Systems Ltd	Closed Protocol - machine can only be maintained/repaired by contract provider, pricing in line with previous costs
ABM-SQA-28804-035-DS-18	Patient educational Films	£22,500.00	Ehealth Digital Media Ltd	Externally funded by Tenovus
ABM-STA-28892-035-18-RP	Internet Payment (IP) Automated Telephone, Staff Payment provider	£22,100.00	Capita Business Services Ltd	The contract was originally subject to competitive bids. The arrangement has now been extended for a further 12 months in accordance with contract terms & conditions.
ABM-STA-28892-036-18-RP	Additional Licences for an Existing Clinical System	£25,000.00	Oncology Systems Ltd	Closed Protocol – additional Licences can only be provided by Oncology Systems as the original supplier of the software for radiotherapy treatment planning.

ABM-STA-28892-037-18-RP	Supply of Donor sperm for Clinical Treatment	£40,000.00	Xytex	Patients have made their selection of donor sperm from Xytex and therefore, WFI have to comply. Procurement are engaged in undertaking a formal tender exercise for future supply which should ensure VFM.
ABM-STA-28892-038-18-DH	Renewal of Qlikview Software Licences	£28,540.85	CACI	Closed Protocol, Licences can only be provided by CACI. Cost in line with industry standards.
ABM-STA-28892-039-18-RP	12 Replacement Therapy Chairs	£37,968.00	Derwent healthcare	Funding agreed from Lymphoma Leukaemia Myeloma Fund (Wales) on the premise that the replacement chairs were purchased from the original supplier, Derwent.
ABM-STA-28892-040-18-RC	Additional Functionality of the Medical Locum Management System to Nurse Bank System	£18,000.00	Allocate Software	Closed Protocol – software updates/enhanced functionality can only be provided by Allocate. Cost of upgrades broadly in line with industry standards and previous costs
ABM-STA-28892-041-18-RC	Decontamination of 4 Medical Wards	£31,450.00	Bioquell	Specialist Bio-Decontamination Service using highly concentrated HPV in Healthcare environments. Negotiated terms through Procurement. Proactive Service Agreement being explored for future deployment requirements will

				bring further preferential terms.
ABM-STA-28892-042-18-RC	Service contract for Endoscope Washer	£140'722.32	Getinge	Closed Protocol - machine can only be maintained/repared by contract provider, pricing in line with previous costs
	Total:	£459,721.20		

3. GOVERNANCE AND RISK ISSUES

- 3.1. The SQA and STA process is administered by NWSSP Procurement who continually review SQA and STA requests to determine if such requests are appropriate. The approval process and reporting of approvals to the Audit Committee ensures that Standing Financial Instructions are Complied with.

4. FINANCIAL IMPLICATIONS

- 4.1. All SQA and STA requests are reviewed by NWSSP Procurement to ensure that value for money is being obtained in all cases and so the financial implications of each request are taken into account prior to the approval of all SQA's and STA's.

5 RECOMMENDATIONS

- 5.1 The Audit Committee is asked to note the SQA's and STA's approved in the period 17th July 2018 to 12th September 2018 and the comparison analysis for the same period in 2017/18.