

EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

REPORT TO: **BOARD OF DIRECTORS MEETING**

DATE: **7 AUGUST 2015**

SUBJECT: **SINGLE TENDER WAIVER BRIEF – SPENCER WING ACTIVITY**

REPORT FROM: **DIRECTOR OF FINANCE AND PERFORMANCE MANAGEMENT**

PURPOSE: **Approval**

CONTEXT / REVIEW HISTORY / STAKEHOLDER ENGAGEMENT

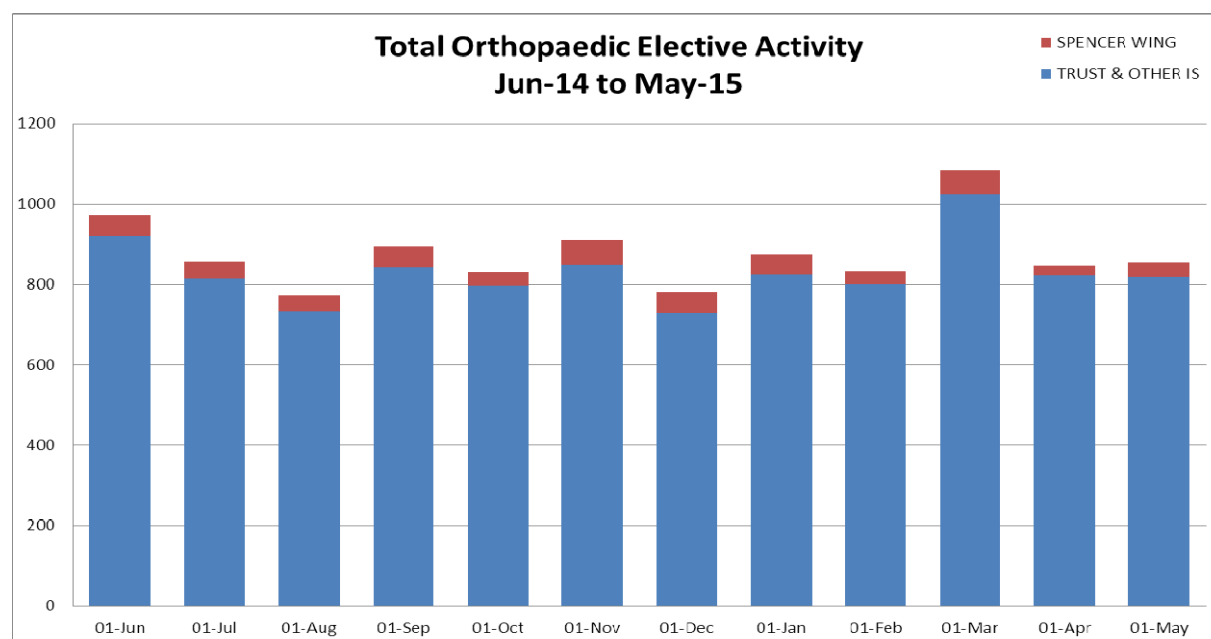
Single Tender Waiver completed for the Independent Sector work carried out in order to sustain the level of activity required for the Orthopaedic RTT recovery plan.

SUMMARY:

A Single Tender Waiver (STW) request has been submitted for the current Orthopaedic NHS work sent to the Spencer Wing. The STW estimated value is £1,400,000 for activity carried out in 2015/16. The value for 15/16 is based on the activity sent to Spencer Wing in the previous financial year.

The Orthopaedic elective service has been under significant pressure from the 50% rise in demand seen in 2014/15. In order to sustain the current activity levels and manage waiting times in line with the RTT trajectory there is a requirement for Orthopaedics to carry out additional activity through other providers. The Spencer Wing is one of the main providers for the elective Independent Sector work. The Spencer Wing has undertaken both Outpatient and Elective inpatient and Daycase activity for the Trust.

The graph and table below show the level of Orthopaedic elective inpatient activity by month with the Spencer Wing activity highlighted.



	01-Jun	01-Jul	01-Aug	01-Sep	01-Oct	01-Nov	01-Dec	01-Jan	01-Feb	01-Mar	01-Apr	01-May
TRUST & OTHER IS	921	815	732	844	797	849	729	825	800	1025	822	818
SPENCER WING	50	43	42	51	33	61	53	48	32	59	26	37
Grand Total	971	858	774	895	830	910	782	873	832	1084	848	855

The activity is costed at tariff and therefore a pass through cost for the Division.

RECOMMENDATIONS:

A decision to sign of the STW will facilitate the achievement of the RTT trajectory for Orthopaedics and the payment of current invoices from the Independent Sectors awaiting payment.

NEXT STEPS:

Monitoring of Independent Sector usage will continue through monthly Divisional processes already in place.

IMPACT ON TRUST'S STRATEGIC OBJECTIVES:

Each area of risk documented in this report will have a detrimental impact on the following strategic objectives:

- Clinical Sustainability
- Operational Sustainability
- Financial Sustainability
- Sustainability of Delivering High Quality Services

LINKS TO BOARD ASSURANCE FRAMEWORK:

S01 – Quality
 SO2 – Stakeholder Engagement
 SO3 - Innovation and Improvement
 S04- Business Development
 S05- Infrastructure and Sustainability
 S06 – Finance

IDENTIFIED RISKS AND RISK MANAGEMENT ACTIONS:

If the STW is not approved the Orthopaedic elective position will worsen. The waiting list size and backlog will grow and patients will wait longer for treatment as a result.

FINANCIAL AND RESOURCE IMPLICATIONS:

If this is not approved there is a risk of penalties being applied by Monitor and CCGs re the non compliance of RTT.

LEGAL IMPLICATIONS / IMPACT ON THE PUBLIC SECTOR EQUALITY DUTY:

N/A

PROFESSIONAL ADVICE TAKEN ON ANY NOVEL OR CONTENTIOUS ISSUES

N/A

ACTION REQUIRED:

(a) To approve.

CONSEQUENCES OF NOT TAKING ACTION:

If the STW is not approved the Orthopaedic RTT recovery plan is unlikely to achieve its current target for compliance in January-16.

EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

REPORT TO: **BOARD OF DIRECTORS MEETING**

DATE: **7 AUGUST 2015**

SUBJECT: **SINGLE TENDER WAIVER BRIEF – ST SAVIOURS HOSPITAL**

REPORT FROM: **DIRECTOR OF FINANCE AND PERFORMANCE MANAGEMENT**

PURPOSE: **Approval**

CONTEXT / REVIEW HISTORY / STAKEHOLDER ENGAGEMENT

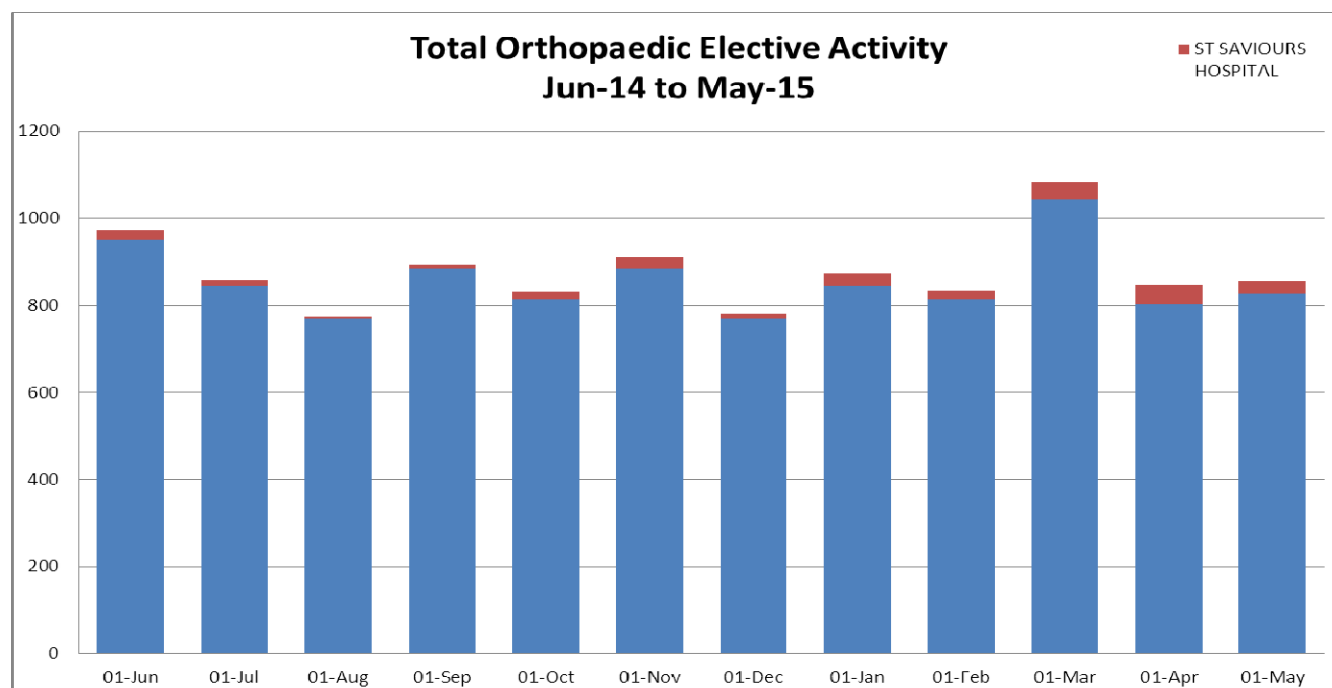
Single Tender Waiver completed for the Independent Sector work carried out in order to sustain the level of activity required for the Orthopaedic RTT recovery plan.

SUMMARY:

A Single Tender Waiver (STW) request has been submitted for the current Orthopaedic NHS work sent to the St Saviours Hospital. The STW estimated value is £750,000 for activity carried out in 2015/16. The value for 15/16 is based on the activity sent to St Saviours Hospital in the previous financial year.

The Orthopaedic elective service has been under significant pressure from the 50% rise in demand seen in 2014/15. In order to sustain the current activity levels and manage waiting times in line with the RTT trajectory there is a requirement for Orthopaedics to carry out additional activity through other providers. St Saviours Hospital is one of the main providers for the elective Independent Sector work. St Saviours Hospital has undertaken both Outpatient and Elective inpatient and Daycase activity for the Trust.

The graph and table below show the level of Orthopaedic elective inpatient activity by month with the St Saviours Hospital activity highlighted.



	01-Jun	01-Jul	01-Aug	01-Sep	01-Oct	01-Nov	01-Dec	01-Jan	01-Feb	01-Mar	01-Apr	01-May
TRUST & OTHER IS	952	845	769	884	814	885	770	845	815	1044	803	827
ST SAVIOURS HOSPITAL	19	13	5	11	16	25	12	28	17	40	45	28
Grand Total	971	858	774	895	830	910	782	873	832	1084	848	855

The activity is costed at tariff and therefore a pass through cost for the Division.

RECOMMENDATIONS:

A decision to sign of the STW will facilitate the achievement of the RTT trajectory for Orthopaedics and the payment of current invoices from the Independent Sectors awaiting payment.

NEXT STEPS:

Monitoring of Independent Sector usage will continue through monthly Divisional processes already in place.

IMPACT ON TRUST'S STRATEGIC OBJECTIVES:

Each area of risk documented in this report will have a detrimental impact on the following strategic objectives:

- Clinical Sustainability
- Operational Sustainability
- Financial Sustainability
- Sustainability of Delivering High Quality Services

LINKS TO BOARD ASSURANCE FRAMEWORK:

S01 – Quality
 SO2 – Stakeholder Engagement
 SO3 - Innovation and Improvement
 S04- Business Development
 S05- Infrastructure and Sustainability
 S06 – Finance

IDENTIFIED RISKS AND RISK MANAGEMENT ACTIONS:

If the STW is not approved the Orthopaedic elective position will worsen. The waiting list size and backlog will grow and patients will wait longer for treatment as a result.

FINANCIAL AND RESOURCE IMPLICATIONS:

If this is not approved there is a risk of penalties being applied by Monitor and CCGs re the non compliance of RTT.

LEGAL IMPLICATIONS / IMPACT ON THE PUBLIC SECTOR EQUALITY DUTY:

None

PROFESSIONAL ADVICE TAKEN ON ANY NOVEL OR CONTENTIOUS ISSUES N/A
ACTION REQUIRED: (a) To approve.
CONSEQUENCES OF NOT TAKING ACTION: If the STW is not approved the Orthopaedic RTT recovery plan is unlikely to achieve its current target for compliance in January-16.

East Kent Hospitals University NHS Foundation Trust - Tender Waiver Request Form

This Form is to be completed for purchases of Goods/Services over £10,000 in instances where waiver of Competitive Tender/Quote action is being sought by the Budget Manager under Trust Standing Financial Instruction section 24 and the Scheme of Delegation.

- Budget holders are responsible for ensuring value for money is obtained for goods and services purchased under £10k.
- For goods/services between £10k and £35k (on a whole-life basis for expenditure or income) budget holders are responsible for obtaining a minimum of 3 formal written quotations on a competitive basis.
- Formal written competitive tenders are required for goods or services above £35k. Budget holders should seek the advice of the Supplies Department at the start of the procurement process.

(See overleaf for further details)

Directorate/Department Surgical Division

Non Stock Requisition No. (where applicable) Ref 1303087

Contact Name (print) SUA Blackwood Ext. no. 05435086

Details of Goods/Service External Activity/Capacity

Estimated Value £ 75,000 Inc. vat Proposed Supplier St Savians Hospital

Reason for requesting waiver of competitive process:- (attach further detail/information/requisition as necessary)

Outsourcing of external capacity for
RTT recovery plan

Signed [Signature] Authorised Budget Manager Date 21/1/2015

Print Name M. Chapman

All Completed forms must be sent to the Deputy Head of Supplies & Procurement, (Supplies Dept WHH) and will be forwarded where appropriate to the Delegated Authority for approval (see over)

Date received in Supplies Dept..... STW Ref. No:

Comments.....

Signed Date

Delegated Authority Limit: £ 10,001 - £ 150,000

Approved /Not Approved (delete as appropriate)

Signed Date

One of: Chief Executive, Finance Director, Dep. Finance Director or Asst Finance Director (NB, Finance Directorate waivers will be authorised by the Chief Executive or another Executive Director on his behalf)

Delegated Authority Limit: £ 150,001 - £ 500,000

Approved /Not Approved (delete as appropriate)

Signed Date

One of: Chief Executive, Finance Director, Dep. Finance Director

Above £500,000: CE/FD/DFD will obtain Board Approval where appropriate:

Board of Directors Minutes No. Meeting dated

East Kent Hospitals University NHS Foundation Trust - Tender Waiver Request Form

This Form is to be completed for purchases of Goods/Services over £10,000 in instances where waiver of Competitive Tender/Quote action is being sought by the Budget Manager under Trust Standing Financial Instruction section 24 and the Scheme of Delegation.

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(See overleaf for further details)

Directorate/Department Surgical Division

Non Stock Requisition No. (where applicable) Ref 1303086

Contact Name (print) JULIA BLACKWOOD Ext. no. 5159/530686

Details of Goods/Service External Activity / Capacity

Estimated Value £ 1.4m Inc. vat Proposed Supplier Spencer Wins

Reason for requesting waiver of competitive process:- (attach further detail/information/requisition as necessary)

Outsourcing of external capacity for
RTT recovery plan

Signed [Signature] Authorised Budget Manager Date 26/1/2015

Print Name M. L. [Signature]

All Completed forms must be sent to the Deputy Head of Supplies & Procurement, (Supplies Dept WHH) and will be forwarded where appropriate to the Delegated Authority for approval (see over)

Date received in Supplies Dept..... STW Ref. No:

Comments.....

Signed Date

Delegated Authority Limit: £ 10,001 - £ 150,000

Approved /Not Approved (delete as appropriate)

Signed Date

One of: Chief Executive, Finance Director, Dep. Finance Director or Asst Finance Director (NB, Finance Directorate waivers will be authorised by the Chief Executive or another Executive Director on his behalf)

Delegated Authority Limit: £ 150,001 - £ 500,000

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One of: Chief Executive, Finance Director, Dep. Finance Director

Above £500,000: CE/FD/DFD will obtain Board Approval where appropriate:

Board of Directors Minute No. Meeting dated