

NHS Forth Valley Annual Procurement Report 2022-23



Approving Authority:	NHS Forth Valley Infrastructure Board
Consultation Via:	Procurement Service NHS Forth Valley
Approval Date:	31/8/23
Effective Date:	N/A
Review Period:	31/8/24
Responsible Executive:	Jonathan Procter – Director of Facilities & Infrastructure
Responsible Officer:	David Logie – Head of Procurement

Content

Introduction & Overview	2
Procurement Activity & Budget	3
Summary of Regulated Procurements 2022/24	4
Review of Regulated Procurement Compliance	7
Statement re Future Compliance for Non-Compliant Procurements	11
Supported Business Summary	13
Future Regulated Procurements Summary 23/25	14
Procurement Highlights	17
Additional Procurement Related Information	20
Key Data	21
Procurement Strategy Action Plan	24

Introduction & Overview

This is the NHS Forth Valley Procurement Annual Report for the period 1st April 2022 to 31st March 2023. The primary purpose of the report is to ensure compliance with the Procurement Reform (Scotland) Act 2014 which requires public bodies in Scotland to publish an Annual Report which contains:

- A summary of all regulated procurements undertaken in the previous financial year;
- A review of those procurements to ensure compliance with the procurement strategy;
- A statement regarding future compliance for non-compliant procurements undertaken during the reporting period;
- A summary of community benefit requirements imposed as part of a regulated procurement that were fulfilled during the reporting period;
- A supported business summary which details steps taken to facilitate the involvement of supported businesses;
- The volume of spend with local businesses during the reporting period;
- A summary of the regulated procurements the organisation expects to commence in the next two financial years.

The report is also intended to record Procurement input to supporting the:

- Delivery of Improved public health services;
- Contribution towards the social, economic and environmental outcomes in Forth Valley;
- Compliance with the 'sustainable procurement duty'.

The Procurement Annual Report is intended to provide assurance regarding the capability and capacity of the function to support the corporate objectives.

Procurement Activity & Budget

The primary function of the Procurement Department is the tendering and contract activity that NHS Forth Valley must undertake to be compliant with Public Sector procurement law and the Procurement Reform (Scotland) Act 2014.

The Procurement team provide broader systems and reporting support that underpins the “procure to pay processes”.

The following is a summary of the average volumes in 2022/23:

- 2 x OJEU (European law) Tenders conducted per annum.
- 4 x Tenders/Mini Competitions.
- 15 x Quick Quotes (via Public Contracts Scotland).
- 357 Contracts (This includes 336 national contracts, 21 local contracts).
- 37,154 purchase orders (PECOS) - represents 2.4% increase on previous year.
- 284,000 warehouse movement's p.a. (23,700 Estimated Lines).

The NHS Forth Valley Procurement Team has strong day-to-day controls with high levels of compliance/contract cover. The team focus is on facilitating the tender/contract process in support of internal customer requirements whilst ensuring NHS Forth Valley maintains strong regulatory and statutory compliance. There are two distinctive spend areas which consist of:

- Non-Trade Spend - spend between NHS Forth Valley and other Healthcare or Public Sector Bodies, Health and Social Services and Charitable organisations.
- Trade Spend - spend that can be influenced by Procurement including Capital Spend.

In 2022/23 the total Trade spend was **£166,899,422** of this approximately **79%** is directly influenced by Procurement through public sector frameworks and contracts.

Summary of Regulated Procurements Completed 22/23

In accordance with the Procurement Reform (Scotland) Act 2014, any Public contract of £50,000 or greater and public works contract of £2,000,000 or greater, is considered a Regulated Contract. This includes both contracts and framework agreements.

Regulated Procurements

Title	Date of Award	Awarded Supplier(s)	Start	Finish	Value
Properties Advisory Tender	31.05.22	Graham + Sibbald (GB)	06/06/22	05/06/25	£82,500
Provision of Local Bus Services	07.03.23	Midland Bluebird Limited	27/03/23	27/03/25	£1,985,156

Quick Quotes and Mini Comps

Title	Date of Award	Awarded Supplier(s)	Start	Finish	Value
Award of Shared Cremation Funeral Services	28.10.21	Andrew Anderson & Sons Funeral Directors (GB)	01.11.21	31.10.23	£12,480
Award of Haematology and Clinical Chemistry Form	30.05.22	Jones & Brooks Ltd (GB)	One off Purchase	One off Purchase	£3,100
Award of Supply of Haematology/Clinical Chemistry and Microbiology Forms	30.05.22	Jones & Brooks Ltd (GB)	One off Purchase	On off Purchase	£2,100
Award of NHS Forth Valley Winter Maintenance	05.10.22	Complete Weed Control Scotland South East Limited GB	01.11.22	31.03.23	£6,570
Award of NHS Forth Valley Falkirk Community Hospital Car park repairs	11.11.22	DGM Surfacing Limited (GB)	11.11.22	31.03.23	£50,000
Award of NHS Forth Valley Bonnybridge HC Car Park repairs	11.11.22	DGM Surfacing Limited (GB)	11.11.22	31.03.23	£50,000
Award of External Audit Of Endowment And Patients Funds Annual Accounts	19.10.22	Dickson Middleton (GB)	01.11.22	31.10.25	£24,000
Award of Alterations to Lochview House 1	04.11.22	Brick and Steel	28.11.22	31.03.23	£430,177

- NP827/15 Minor Works		Construction Co (GB)			
Award Of ESPO Framework Agreement Ref 16_18 For Supply And Provision Of Flooring To/For NHS.	22.11.22	CROWN FLOORING LTD (GB)	22.11.22	31.03.23	£186,033

Title	Date of Award	Awarded Supplier(s)	Start	Finish	Value
Award of SLP11300 Direct Thermal Labels	01.10.22	Streamline Corporate (GB)	01.12.22	31.10.23	£2,664
Award of Haematology/Clinical Chemistry Forms	24.03.23	Jones & Brooks Ltd (GB)	24.03.23	30.09.23	£2,300
Award of Labels	24.01.23	Streamline Corporate (GB)	24.01.23	31.03.23	£4,850
Electrical Infrastructure Works, SH&C Village - NP827/15 Minor Works Framework - Lot 33	28.03.23	Prime Build Solutions Limited	05.06.23	29.07.23	£187,378
Trystpark / Trystview Door and Window Replacement- NP827/14	05.06.23	Prime Build Solutions Limited	TBC	TBC	£328,235
Award of NHS Forth Valley Thermal Transfer Labels	24.03.23	Sciamed Ltd (GB)	24.03.23	30.09.23	£5,580
Award of NHS Forth Valley Thermal Labels	24.03.23	Streamline Corporate (GB)	24.03.23	30.09.23	£3,132
Award of NHS Forth Valley Microbiology Forms	24.03.23	Jones & Brooks Ltd (GB)	24.03.23	30.09.23	£2,300
Award of Haematology/Clinical Chemistry Forms	24.03.23	Jones & Brooks Ltd (GB)	24.03.23	30.09.23	£3,500
Award of NHS Forth Valley Blood Transfusion Forms	24.03.23	Jones & Brooks Ltd (GB)	24.03.23	30.09.23	£2,450

Review of Regulated Procurement Compliance

In the 2021-2022 Annual Procurement Report, a number of future regulated procurements were outlined for the period 2022-2024. Progress against each of these is outlined in the table below.

Procurement	Contract Value	Department	Outcome
Bellsdyke Improvement works 22/23	£500,000	Estates	Tender complete and contractor appointed. Works ongoing with completion by Oct/Nov 23
Primary Care Flooring	£300,000	Estates	Extension of previous call off contract guided by Procurement
SHCV Retained Estates LV Supply 22/23	£120,000	Estates	Tender completed - works ongoing
FCH Theatre Ventilation 22/23	£120,000	Estates	Nothing procured yet
HEI Improvements 23/24	£100,000	Estates	Procurement progressed via quotes and broken down into smaller work packages.
Primary Care Improvement works	£500,000	Estates	Ongoing and various projects being tendered
Road Improvement Works 23/24	£100,000	Estates	£50k allocation for this year and use of Daywork contractor
Lochview House 1 22/23	£500,000	Estates	£605, 707 Tender and all works complete
Winter Maintenance Contract	£100,000	Estates	Tender complete and contract in place.
All Framework Maintenance Contracts	Varied	Estates	Ongoing
Voice Recognition	£75,000	ICT/eHealth	Business Case in Progress - due for completion 2nd Qtr. of 23/24
HEPMA System Maintenance	£650,000	ICT/eHealth	Contract Complete and awarded March 2023
GP System Replacement	£500,000(P A)	ICT/eHealth	In progress - Delay due to National/Supplier issues
Unified Patient Record	£200,000	ICT/eHealth	On hold - awaiting National/Regional Strategy/Position
Patient Hub	£100,000(P A)	ICT/eHealth	Business Case in Progress - due for completion 2nd Qtr. of 23/24
Infrastructure Hardware refresh (Various)	£500,000	ICT/eHealth	Complete - utilised national contracts

Desktop Hardware refresh (Various)	£500,000	ICT/eHealth	Complete - utilised national contract
Voice business case (CISCO EA Voice)	£100,000(P A)	ICT/eHealth	Business Case in draft - on hold
Order Comms	£100,000	ICT/eHealth	Review under way - due for completion 2 Qtr. 23/24
GP System Replacement	£500,000(P A)	ICT/eHealth	In progress - Delay due to National/Supplier issues

Procurement	Contract Value	Department	Outcome
Unified Patient Record	£200,000	ICT/eHealth	On hold - awaiting National/Regional Strategy/Position
Patient Hub	£100,000(PA)	ICT/eHealth	Business Case in Progress - due for completion 2nd Qtr. of 23/24
Infrastructure Hardware refresh (Various)	£500,000	ICT/eHealth	Complete - utilised national contracts
Desktop Hardware refresh (Various)	£500,000	ICT/eHealth	Complete - utilised national contract
Voice business case (CISCO EA Voice)	£100,000(PA)	ICT/eHealth	Business Case in draft - on hold
Order Comms	£100,000	ICT/eHealth	Review under way - due for completion 2 Qtr. 23/24
Laboratory Information Management System	£2,714,199	Laboratories	Business case approved in Nov 2022. Planned implementation date Summer/Autumn 2025
Ultrasound Machines (W&C)	£150,000	Medical Physics	Due to the number of devices that were being trialled this project has been rescheduled to 2023/24
Community Ambulatory BP Machines	£50,000	Medical Physics	This project has been completed.
Incubators	£100,000	Medical Physics	This was completed ahead of schedule in January 2022.
Phacoemulsification Systems	£200,000	Medical Physics	Procurement completed.
Ultrasound Machines (X-Ray/Urology)	£200,000	Medical Physics	Urology machine rescheduled to 23/24. X-Ray machines have been purchased.
Ambulatory Syringe Drivers	£300,000	Medical Physics	All of our oldest devices (pre 2009) were replaced as part of a product recall.
Hoist/Lift Aid	£100,000	Medical Physics	These devices are still supported decision made not to replace at this stage
Liver Stiffness Analyser	£60,000	Medical Physics	This project has been completed.
ITU/Cardiology Monitoring	£1,000,000	Medical Physics	This project has been completed.
Endoscopes	£200,000	Medical Physics	This project has been rescheduled to 2023/24.
Resuscitaires	£50,000	Medical Physics	Order raised and awaiting for delivery

Procurement	Contract Value	Department	Outcome
Non Invasive Ventilator	£60,000	Medical Physics	This project was cancelled as only a handful of devices needed to be replaced.
Diathermies	£120,000	Medical Physics	This project has been completed.
Colposcopes	£80,000	Medical Physics	This project has been rescheduled to overcome sourcing challenges.
Defibrillators	£120,000	Medical Physics	This is part of the 2023/24 procurement project.
Anaesthetic Machines (Theatres)	£1,000,000	Medical Physics	This project is complete
Ultrasound Machine (W&C)	£500,000	Medical Physics	This is part of the 2023/24 procurement project.
Replacement of existing Microtomes (6)	£93,390	Pathology	These microtomes have not yet been replaced. This is included in procurement table for 2023-25.
Alinity Rapid Throughput Molecular Analyser	£58,890 per annum - 3 year term	Microbiology	Alinity m analyser is on site. In progress with Abbott Diagnostics to bring this into the existing MSC which will expire on 01/04/2023, therefore 3 year term.
Alinity Rapid Throughput Molecular Analyser	£70,000	Microbiology	Analyser on site.

Statement Future Compliance for Non-Compliant Procurements

After a review of the procurements carried out during the annual reporting period, all were adjudged to have been processed through PCS Portal (Procurement Contracts Scotland) in accordance with the associated procurement journey. Call off contracts were updated on PCS Portal for the period to March 2023 for contracts designated as Cat A, Cat B and including collaborative arrangements.

Exceptions

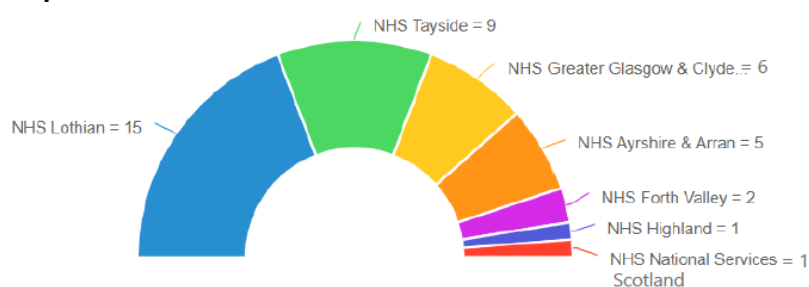
All NHS Forth Valley procurements complied with the NHS Forth Valley Procurement Strategy and the Procurement Reform (Scotland) Act 2015. Some of the Procurements did not proceed due to Mobilisation of Services returning to business as usual while still managing the Covid 19 Pandemic and are detailed in this Annual Report under the Review of Regulated Procurement compliance above.

Community Benefit Summary

NHS Forth Valley is committed to delivering social and environmental benefits through our public procurement activity to assist in achieving sustainability in public contracts. Delivering community benefits is an important part of the sustainable procurement duty and community benefits must be considered for all procurement processes at or above £4 million in value. There were, however, no Community Benefits relating to NHS Forth Valley contracts during the reporting period.

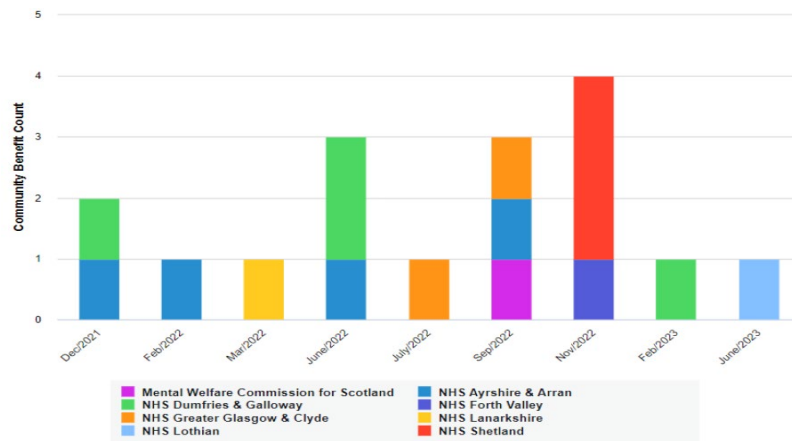
NHS Forth Valley is 1 of 7 Health Boards which have devised a portal for 3rd Sector organisations to enter local community needs. Our suppliers are encouraged to support and deliver against these needs to help our communities.

Live/Open needs per Health Board Q1 of 2023



The chart opposite show the Live/Open needs by Health Board area that are available for suppliers to support.

Delivered community needs per Month& Health Board since lunch of CBG



The chart opposite shows the delivered community needs per health board area. The Community benefit for Forth Valley NHS consisted of 1 benefit for ‘Unemployment.’

Supported Businesses Summary

This section outlines the activity during 2022/23 on supported business interface with NHS Forth Valley and outlines some of the key areas of benefit and trade.

NHS Forth Valley has been dealing with Haven (supported business in Larbert Business Park) with the aim of increasing spend via various initiatives as part of the Scottish Government's Supported Business Framework.

NHS Scotland and NHS Forth Valley use Haven as part of the National Uniforms contract and for some of our signage from the "Sign Factory" division. In the financial year 2022/23 a total of £6,100 was spent with Haven with Haven the Sign Factory.



NHS Forth Valley, as part of the Interpretation & Translation Services Local Cat C contract deals with a supported business called Forth Valley Language Support and spent £108,555 inclusive of VAT. Giving a grand total of £114,655 incl Vat being spent with Supported Businesses during the Fy22/23 reporting period.

Annual Spend Data 2022/23	
Total Spend - the total amount of spend for the 22/23 year:	£166,899,422
Core Trade Spend - A sub-set of the supply base that includes all Trade:	£165,155,088
Input Suppliers - The number of suppliers, before de-duplication:	1,655
De-duplicated Total Suppliers - The number of unique suppliers:	1,617
Duplicate Suppliers - No of suppliers which are duplicates of another:	38
SME Suppliers - small and medium sized business where supplier has less than 249 employees or where annual revenue is <£22.8m:	1,076
Local Suppliers - Spend with suppliers within the same local authority:	59
Transactions - The total number of transactions:	93,594
Avg. spend per supplier - The average spend per unique supplier:	£103,215
PCard Spend - Percentage of transactions by value of spend that are identified as purchase card transactions in the extract:	0.0%

SME Spend - Spend with SME as a percentage of Core Trade Spend:	24.64%
Local Spend - Spend with local suppliers as % of Core Trade Spend:	1.32%

Future Regulated Procurements Summary 2023 – 2025

Section 18(2) of the Procurement Reform (Scotland) Act 2014 states it is mandatory that an annual procurement report must include a summary of the regulated procurements the authority expects to commence in the next two financial years. The future regulated procurements outlined below provide a forward plan of anticipated procurements for the period 2023 to 2025.

Department	Procurement	Contract	Publish Date	Award Date	Start Date	Value ex VAT
All Laboratories	Procurement of new laboratory information management system (national procurement project). Local business case approved.	New		Mar-22	Jul-25	£2,714,199
Blood Sciences Laboratories	Abbott laboratory equipment Managed Service Contract			Jul-05	TBC	
Estates	Primary Care Improvement works	New	May-24	Jun-24	Jul-24	£500,000
Estates	Building Fabric Backlog - FCH and SHCV	New	May-24	May-24	May-24	£200,000
Estates	FVRH Bed Capacity	Extended	Apr-24	May-24	May-24	TBC
Estates	Estate-wide review of Anti-Ligature risks	New	May-24	Jun-24	Jun-24	TBC
Estates	Net Zero Carbon/Climate Change & Sustainability	New	May-24	Jun-24	Jun-24	TBC
Estates	FCH Theatre Ventilation	New	May-24	Jul-24	Jul-24	£120,000
Estates	All Framework Maintenance		May-24	Dec-23	Jan-24	Ongoing

	Contracts					
ICT-eHealth	Patient Portal - Patient Hub	New	Oct-23			TBC
ICT-eHealth	Replacement GP System (Utilising National Contract)	New	Oct-23			TBC
ICT-eHealth	Order Comms System	New	Oct-23			TBC
ICT-eHealth	Voice Recognition System	New	Oct-23			TBC
ICT-eHealth	Infix Scheduling (Theatre) - Dep on National Procurement)	New	Oct-23			TBC
ICT-eHealth	Morse Systems Maintenance	Extended			Apr-23	£130,000
ICT-eHealth	Akamai Remote Access Software	Extended		Mar-24		£115,000

Department	Procurement	Contract	Publish Date	Award Date	Start Date	Value ex VAT
ICT-eHealth	Theatres & CHAA System Maintenance	Extended		Sep-23		£75,000
Nuclear Medicine	Spect CT	New	Apr-23		Apr-23	£750,000
Cardiology Ward	Monitors and Telemetry	New	Apr-23		Apr-23	£250,000
Maternity	Ultrasound Scanners	New	Apr-23		Apr-23	£200,000
Simulation Centre	SMOTS Camera System	New	Apr-23		Apr-23	£200,000
Audiology Department	Hearing Aid Fitting System	New	Apr-23		Apr-23	£153,000
Theatres/ITU	Cardiac Output Monitor	New	Apr-23		Apr-23	£130,000
Women's Outpatients	Ultrasound Scanners	New	Apr-23		Apr-23	£120,000
Labs	Microtomes	New	Apr-23		Apr-23	£100,000
Urology	Ultrasound Scanners	New	Apr-23		Apr-23	£50,000
Children's Ward	Precision Flow Replacement	New	Apr-23		Apr-23	£50,000
Neonatal	Heated Cot Replacement	New	Apr-23		Apr-23	£50,000
Radiology	Dexa Scanner	New	Apr-23		Apr-23	£100,000
Colposcopy	Colposcopes	New	Apr-23		Apr-23	£80,000
All Hospitals	Defibrillators	New	Apr-24		Apr-24	£450,000
Cardiology	Cardiology Ultrasound	New	Apr-24		Apr-24	£250,000
Theatres	Anaesthetic Machines	New	Apr-24		Apr-24	£240,000
Endoscopy	Endoscopes	New	Apr-24		Apr-24	£400,000
ITU	ITU Ventilators	New	Apr-24		Apr-24	£270,000
Radiology	Image Intensifiers	New	Apr-24		Apr-24	£700,000
All Hospitals	Bed Replacement Programme	New	Apr-24		Apr-24	£100,000
Radiology	Fluoroscopy Ultrasound x 1	New	Apr-24		Apr-24	£50,000
Pharmacy	Pharmacy Robot	New	Apr-24		Apr-24	£600,000
Pathology	Replacement of two microtomes	New			TBC	£30,000
Pathology	Ergonomic benching fitted in main lab	New			TBC	£2,180
Pathology	Hologic ThinPrep Genesis Processor	New			TBC	£41,575
Facilities	Supplementary Transport	New	Feb-24	Jun-24	Jul-24	£900,000
Facilities	Taxis	New			Nov-24	£300,000

Procurement Highlights



Covid 19 - In 22/23 with the Covid 19 Pandemic continued to have an impact on the Procurement Service in response to the need for PPE, Medical Equipment and Medical Consumables. Robust local supply chain of key PPE was maintained during 22/23. During the year the Procurement Service also continued to support of PPE and consumables of the Covid Vaccination Sites with 3 Main "Hubs" in Falkirk, Stirling and Clackmannanshire. The supply of Covid Test Kits and LFDs (Lateral Flow Devices) Testing was also maintained during this reporting period.



Procurement Team - In 22/23 the procurement team supported all areas with guidance and maintained key procurements that were needed to support the Capital, e-health and Estates plans for the year. A major highlight was moving over to the New Genesis Stock Management System in June 2022. This involved many weeks of preparation work with NSS National Procurement and Genesis to ensure that the data was all correct for transition of 38 Acute Wards at Forth Valley Royal Hospital and 5 Community Hospitals. The Implementation of Genesis went well and the improved functionality and reporting features are now starting to be used to good effect within the health board. In addition, the Head of Procurement continued to support National NP OPS meetings and SMT calls so aligning Nationally on all major Procurement area's and projects. Also, there was significant work on the major Procurement resource on supply chain issues this year and the sourcing of alternatives via the supply base.

NTC - National Treatment Centre



The NTC is due for completion in 2023. The 26 Bedded unit will initially host Orthopaedic Patients, requiring Hips and Knee replacements. Procurement is supporting HFS, Medical Physics and the Project team in setting up the new ward. This includes negotiations on new Hips and Knees deals with suppliers to meet the increased volumes and ensure equipment and consignment in place to support the increased orthopaedic activity.

eHealth -Procurement support to eHealth on key National Systems rollout in Theatres and IT kit and equipment for home working. Collaborative working with National GPIT team on the GP system on IT infrastructure upgrades in community.

Medical Physics – Procurement continue to support the Medical Devices group chaired by Medical Director in the areas of tendering and National Frameworks. There were considerable additional procurements carried out to support Acute, Radiology and ITU area's due to Infrastructure funding from SG.

Estates - Close working with Estates on capital plans and tendered for Phase 2 Floor Covering Contract for Primary Care Premises in health centres as part of PC improvement plans. Also concluded on the Alterations to Lochview House 1 for £430K worth of improvements. There were also Electrical Infrastructure works at Stirling Health and Care Village which were supported by the Procurement Team.

Sustainability



There is a Climate Emergency Response and Sustainability Board which is chaired by the Chief Executive and supported by the Climate Change and Sustainability Team which is chaired by Director of Facilities and Infrastructure. The Health Board's refreshed Climate Change & Sustainability Strategy was approved by the Health Board in July 2023. The Procurement Work stream, as part of the delivery plan, is examining ways to increase the Health Board's sustainable footprint and reduce carbon emissions.

Sustainability criteria will be built into tenders to improve our NSAT scoring along with whole life costing.

Procurement continues to be represented on the Working Group for Electric Vehicle Chargers to support the EV Strategy. This group oversees the required charging infrastructure and the transition of all fossil fuelled vehicles as part of a rolling replacement programme. Procurement also worked with fleet management on replacing the existing fossil fuel vehicles with Electric or hybrid vehicles to support the activities aimed at meeting the boards emission targets by 2025.

Also Supported was the Physio Recycling of Walking Aids with Joint Loan in Grangemouth and the Physiotherapy Leads for the board. These Walking Aids are returned to Recycling Centres and sent to JLES for cleaning, refurbishing and safety checked. They then go to CSD (Stirling) for replenishment back into stock at Forth Valley Royal Hospital and Reach.

Results Table for 2022

Total number of walking aids returned	3956
Amount suitable for re-use	2663
Amount Recycled	1293
Carbon Savings	123 555kg CO2e

Fair Work Practices – The new Scottish Government guidance on Fair Working Practices was implemented at start of 2022 and has been included in all tenders since then.

Additional Procurement Related Information

Procurement & Commercial Improvement Programme - When undertaking contracting activity, NHS Forth Valley is obliged to meet the minimum governance and accountability requirements as set out in the McClelland Report and Procurement Reform (Scotland) Act 2014. Compliance is tested through audit and the bi-annual Procurement & Commercial Improvement Programme (PCIP) assessment. In January 2016 NHS Forth Valley went through the full PCIP assessment and achieved a score of A+ which placed the Health Board within the upper quartile of performance.

The next PCIP is scheduled to commence in quarter 3 of 2023/24 via a Self Assessment, and whilst we currently await further details from National Procurement, the assessment is expected to be completed by March 24.

Procurement Savings - NHS Forth Valley Procurement is tasked with the delivery of procurement savings at the start of each financial year. This is delivered through implementation of nationally negotiated contracts, local efficiencies, and improved buying opportunities. Not including cost avoidance and capital savings, NHS Forth Valley delivered **£56,475 Inc Vat** for 2022/23. There was also £51,394 of “Cost Avoidance” negotiated from cost potential increases.

NHS Forth Valley Procurement Strategy – The Procurement Strategy positions procurement activity visibly within the organisation establishing Board level commitment to and involvement in the management of the Board’s procurement deliverables. It also sets out clear, measurable corporate objectives and priorities for improvement which are closely monitored.

Progress against the actions within the strategy is reported to the NHS Forth Valley Infrastructure Programme Board and a summary of the position for the period to 31st March 2023 is included at Appendix B.

Lead Officers

Jonathan J Procter
Lead Director for Procurement NHS Forth Valley
Carseview House, Castle Business Park, Stirling, FK9 4SW
Email: Jonathan.procter@nhs.scot
Office: 01786 463031 Ext 242

David Logie

Head of Procurement
NHS Forth Valley Central Supplies Department
Unit 2, Colquhoun Street, Stirling, FK7 7PX
Email: david.logie@nhs.scot
Office: 01786 433869

Appendix A – Key Data

1. Organisation and report details

a) Contracting Authority Name	NHS Forth Valley
b) Period of the annual procurement report	1/4/22 to 31/3/23
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes

2. Summary of Regulated Procurements Completed

a) Total number of regulated contracts awarded within the report period	2
b) Total value of regulated contracts awarded within the report period	£2,067,656
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period.	2
i) how many of these are SME's?	1
ii) how many of these are Third sector bodies	0

3. Review of Regulated Procurements Compliance

a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	2
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0

4. Community Benefit Requirement

Summary

Use of Community Benefit

Requirements in Procurement:

a) Total number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community benefit requirements.	0
c) Total number of regulated contracts awarded with a value of less than £4 million that contain Community benefit requirements	1

Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:

d) Number of Jobs Filled by Priority Groups (<i>Each contracting authority sets its own priority groups</i>)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0

h) Total Value of contracts sub-contracted to SMEs	0
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	1
<u>5. Fair Work and the real Living Wage</u>	
a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	1
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	2
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	0
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	0
<u>6. Payment performance</u>	
a) Number of valid invoices received during the reporting period.	93,006
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms)	90.69%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains	0
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts	0
<u>7. Supported Businesses Summary</u>	
a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	£114,655
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	0
<u>8. Spend and Savings Summary</u>	
a) Total procurement spend for the period covered by the annual procurement report.	£166,899,422
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£41,124,018
c) Total procurement spend with Third sector bodies during the period covered by the report.	TBC
d) Percentage of total procurement spend through	£1,985,156

collaborative contracts.	
e) Total targeted cash savings for the period covered by the annual procurement report	£120,557
i) targeted cash savings for Cat A contracts	£10,250
ii) targeted cash savings for Cat B contracts	£105,250
iii) targeted cash savings for Cat C contracts	£5,000
f) Total delivered cash savings for the period covered by the annual procurement report	£56,475
i) delivered cash savings for Cat A contracts	£0
ii) delivered cash savings for Cat B contracts	£50,622
iii) delivered cash savings for Cat C contracts	£5,853
g) Total non-cash savings value for the period covered by the annual procurement report	£51,394 Cost Avoidance
<u>9. Future regulated procurements</u>	
a) Total number of regulated procurements expected to commence in the next two financial years	44
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£10,420,954

Appendix B – NHS Forth Valley Procurement Strategy
























Action Plan







The NHS Forth Valley Procurement Strategy Action Plan contains 45 actions identified in response to the strategic objectives contained within the NHS Forth Valley Procurement Strategy. The status of each action has been categorised using the following traffic light system:

- **Red** - Urgent or decisive corrective action required to bring back on target.
- **Amber** - Behind Quarterly Plan but on track to be achieved within overall timescales.
- **Green** - On target.

The table below indicates that on 31st March 2023, that of the 45 actions outlined in the delivery plan, 38 actions were on target, 7 were on track to be achieved within overall timescales and no urgent or decisive corrective actions were required:

Actions	RAG Status
1. NHS Forth Valley Procurement Steering Group with appropriate representation and support to implement contracts.	●
2. Develop a local work plan for FY22/23 Contracts to deliver the Procurement Savings Plan.	●
3. Engage with NSS CLO at appropriate timescales to ensure correct contract application.	●
4. Assess current ways of working and subject them to rigorous review to identify areas for improvement in quality, efficiency and effectiveness.	●
5. Ensure maintenance of NHS Forth Valley data on SG supported data warehouse and use of tools to enable targeted efficiencies and benchmarking.	●
6. Participate and provide quarterly updates on National "GAP Review" on Procurement Savings Delivery.	●
7. Undertake the PCIP process from National Procurement to the new format as devised by Scottish Government and Centres of Expertise.	●
8. To address any key areas within the PCIP Action Plan for improvement.	●
9. Maintain Procurements contracts register.	●
10. Produce Procurement Annual Report.	●
11. Publication of Procurement Strategy on public website.	●
12. Produce weekly report from the PCS portal which contains full details of everything to be awarded.	●
13. Submit a quarterly Action Plan Progress Report to the Corporate Management Team (CMT).	●
14. Annual Report presented to the Procurement Steering Group.	●
15. Sign off Annual Report at Corporate Management Team and thereafter publish on NHS Forth Valley website.	●

16. Undertake reviews with National Procurement to report delivered savings at NHS Forth Valley.	
Actions	RAG Status
17. Participate in meetings to review KPI's on OTD performance, urgent orders, cages, revenue optimisation and new savings for Forth Valley and revenue opportunities to the NDC (National Distribution Centre).	
18. Facilitate Procurement Steering Group meetings.	
19. Undertake General & Clinical Manager meetings.	
20. Respond to requests from stakeholders for procurement information.	
21. Distribute information on key performance indicators to the Procurement Steering Group.	
22. Meet with top spend suppliers to ensure that NHSFV needs and expectations are fully met.	
23. Procurement customer survey to be sent out after each major procurement exercise to elicit feedback and identify future improvements.	
24. Ward Product survey sent to all 'Using Departments' for feedback performance and improvements.	
25. Update and maintain website information.	
26. Issue guidance on the procurement journey.	
27. Inform of new procurement legislation.	
28. Undertake reviews of stock holdings and values within each unit and publish report.	
29. Submission of procurement management reports to ensure compliance with legislative requirements.	
30. The creation of reports to identify active users.	
31. Identify areas where the tool could be utilised to better effect.	
32. The provision of a training programme for new and existing users.	
33. Identify key commodities to rationalise the catalogues on PECO's.	
34. Once identified, update PECO's as a level two rationalised catalogue.	
35. Liaise with Head of Infection Control re representation on national Clinical Advisory Panels (CAP).	
36. Continue using the procurement journey for each tendering opportunity to the market.	
37. Identify existing and new partners for inclusion in the register.	
38. Access Scottish Government training on the New Procurement Reform (Scotland) Act 2015.	
Actions	RAG

	Status
39. Delivery of PECO's training.	
40. Facilitate access by staff to national procurement courses on procurement law, tendering arrangements and remedies.	
41. Staff undertake annual appraisals and have an agreed PDP at the start of each year and reviewed by Line Manager.	
42. Produce and publish the procurement KPI's for Service Lead and Procurement Steering Group.	
43. Report procurement savings to Service Lead and the East of Scotland Procurement Consortium (ESPC).	
44. Update the national single tracker for procurement savings.	
45. Undertake surveys from key customers on the performance of the Procurement Department.	