



NHS National Services Scotland Annual Procurement Report



2021-2022

Date of Issue: December 2022

Date of next review: July 2023

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Introduction

Purpose

The purpose of this annual report is to aid visibility of NHS National Services Scotland's ("the Authority" – NSS) purchasing activities and to allow us to record and publicise our performance and achievements in delivering our procurement strategy. This report allows us to demonstrate to our stakeholders that our third party spend is being used to achieve:

- security of supply
- better public services
- social, economic, and environmental outcomes in our area
- a range of local and national policies, for example, those relating to tackling inequality and meeting climate change obligations.

Alongside the procurement strategy, this report is a key document to inform and engage with our external and internal clients, our strategic partners, suppliers and potential suppliers and the public.

National Services Scotland

NSS provides national infrastructure services and solutions which are integral to the delivery of health and care services in Scotland – locally, regionally, and nationally.

Our national infrastructure is wide-ranging, covering clinical areas, such as the safe supply of blood, tissues, and cells, through to non-clinical areas, such as providing essential digital platforms and cyber security for health and care.

We are now working more widely across health and care, ensuring the benefits and value we achieve through our national solutions can help many different areas of front-line services to improve outcomes for the people of Scotland and attainment of the National Performance Framework goals.

Our values

- Respect and care
- Excel and improve
- Integrity
- Openness
- Customer focus
- Committed to each other

Procurement in NSS

There are several teams within NSS who provide procurement services to the wider NHS Scotland such as National Procurement and Health Facilities Scotland.

This report focuses on NSS corporate expenditure of £102M which is managed by the NSS Procurement team.

Scottish National Blood Transfusion Service (SNBTS)

Included within the remit of the NSS procurement team is the management of SNBTS stores holding facilities. This includes the distribution of critical blood products across NHS Scotland from the Jack Copland Centre in Edinburgh. Our main distribution centre at the Jack Copland Centre in Edinburgh holds 800 product lines and had a stock turnover of £ 45.6M in 2021-22. We also have regional stores in Dundee, Aberdeen, and Inverness.

Summary of Procurement Activity

In Scope spend - £102,032,381

SME spend £47,649,121

SME spend – 46.7%

Suppliers – 1,166

Average spend per supplier - £87,506

Supported business spend - £362,255

Transactions – 94,694

Cash releasing efficiency savings secured - £2.1M

Cost avoidances secured - £576K

Government Procurement Card spend - £66,792

Payment performance to 10 days (invoice received date) – 83.1%

Sustainability benefits secured – 23

Regulated procurements – 49

Value of regulated procurements - £62,156,260

In-scope suppliers paying real living wage – 100%

Context

Omicron

In the reporting period, NSS had significant demands on its services due to Covid-19 and the emergence of the new Omicron variant. There continued to be substantial activity in relation to the Covid-19 with the NSS Procurement team supporting several critical services not only for NSS but also to support the wider NHS Scotland and Scottish Government Covid-19 response.

COVID-19 recovery

Following the initial emergency response to the Covid-19 pandemic in financial year 2020-21, in the reporting period NSS reverted to more business-as-usual procurement processes with the number of direct awards under extreme urgency (regulation 33(1)(C) and 33(3) reducing significantly. As we emerge from the pandemic there is a renewed focus on financial sustainability, the climate emergency and providing solutions that improve the wider health and wellbeing of the people of Scotland.

Global supply chain issues

During the reporting period there were several prolonged disruptions to supplies within the product portfolio managed by NSS Procurement, particularly in relation to supplies used by SNBTS. This was due to the impact of reduced availability from suppliers during the Covid-19 pandemic.

UK labour shortage

Tight labour market conditions in the UK posed a challenge in the reporting year particularly in the logistics sector and when sourcing specialist technical or IT resource. There was significant work in this area during the year to increase the resilience of our supply chains and to control increasing costs.

Energy pricing

At the end of the reporting year, we saw a significant increase in energy pricing which placed cost pressures on our high energy use suppliers. For NSS this was most acute in our logistics category.

Whistleblowing

The Independent National Whistleblowing Officer (INWO) service for the NHS in Scotland started in full on 1 April 2021. By the go-live date, any supplier providing an NHS service had to have procedures in place that enable their staff to access the National Whistleblowing Standards. The INWO will then be able to investigate complaints about concerns made through the local whistleblowing process.

During the reporting year we had to ensure that for all our suppliers on contracts where a patient service is delivered, and not just a product supply, have an appropriate whistleblowing process in place and that any whistleblowing incidents are reported on quarterly basis.

During the reporting year we managed to achieve 100% compliance to the policy and no whistleblowing incidents were raised.

Public Health Scotland

NSS Procurement team continues to provide procurement services to Public Health Scotland. The team supported several strategic projects for PHS during the year and delivered savings of £120K along with the delivery of 5 sustainability benefits.

Summary of Regulated Procurement Activity

In the reporting year there continued to be a significant increase in procurement activity in comparison to pre-covid levels.

	2019-20	2020-21	2021-22
Regulated Contracts Awarded	39	62	49
Value of Regulated Contracts Awarded £	16M	52M	62M
NSS Expenditure managed by team £	53M	73M	102M
Savings £	1.1M	0.9M	2.6M

There are several factors which have contributed to the increased level of procurement activity within the organisation including the continued response to the pandemic, the increased range of services provided by NSS and the increased maturity of the procurement function which now has an increased grip and control of third-party expenditure.

The value and complexity of procurement activity undertaken during the reporting year was unprecedented and posed a significant strain on resource.

Key awards

Estates and Facilities

Six contracts were put in place to support facilities and estates colleagues implement a new operating model to enable a more strategic management of assets and maintenance aided by a Computer Aided Facility Management (CAFM) system. This will transform estates and facilities service delivery into a more flexible, agile and customer focussed model.

Logistics

Our National Distribution Service (NDS) contract for managed transport which is responsible for distributing £160M worth of critical medical supplies across all of NHS Scotland per annum was re-tendered during the reporting year. The procurement had a strong focus on reducing our carbon emissions and our third-party logistics supplier has commitment to working with NSS to make our NDS fleet carbon neutral by 2032 with plans already in place to trial alternatives to fossil fuels in 2022-23.

National Contact Centre

To support the significantly increased demands on the COVID-19 National Contact Centre we put in place a further contract providing additional call centre resources for the service within extremely tight timescales and supporting hundreds of jobs in Scotland.

NHS Assure

NHS Scotland Assure was a new organisation setup to respond to incidents, alerts and issues in the healthcare built environment and mobilises a coordinated response across Scotland. To support the creation of the new organisation we awarded a contract for a research service to support and administer NHS Scotland Assure research funds.

Scottish National Blood Transfusion Service

The Procurement team embedded within SNBTS work closely with SNBTS stakeholders to ensure that their quality and regulatory requirements are taken into account for all procurements. The team also work on a range of collaborative contracts with stakeholders across other blood services from England, Wales, Northern Ireland, Ireland, New Zealand, and Australia. This helps to harness buying power across these areas and allows the ability to share expertise. A wide range of critical and complex contracts were put in place during the reporting year to support SNBTS. This included the retender of contracts for Automated Nucleic Acid Testing Systems, Collection and Delivery of Blood Components, Samples, Tissues and Cells, Apheresis Collection Systems, Bacterial Monitoring and Marketing and Creative Services A number of new first-generation contracts were also established in the following areas: Temperature Mapping Services, Donor Beds, Temperature Mapping Kits and Calibration Services.

Review of regulatory procurement compliance

How we review our regulated procurements

NSS Procurement observes the 'procurement journey' methodology including application of the sustainable procurement tools for all regulated procurements where a tendering process is required. Route two is used when below threshold level and route three for over threshold procurements. Call-off contracts are checked with the host organisation e.g., NSS National Procurement, Scottish Government and, where necessary, Crown Commercial Service or other UK NHS bodies for compliance with regulations and policy before we enact these. Our policy is that frameworks, 'let' by these bodies are the only valid route for NSS call-off awards. Around 40% (c.£40 million) of our contracts are call-offs from these sources based on our public contracts register.

We review all direct award contract awards through our sole source justification procedure. This procedure mandates that any spend over £10,000 if not tendered or on a pre-let contract or framework agreement is accompanied by a sole source justification form.

The sole source justification form allows us to correctly categorise spend within the regulatory framework in other words, within the following categories.

- a. the requirement falls under the general exclusions and Specific Situations of the Public Contracts (Scotland) Regulations 2015 Sections 4 or 7 through 18 or by being a service listed in Schedule 3 of the aforementioned regulations: examples being property rental, client legal representation and legal advice.
- b. public sector to public sector contracts under regulation 13(8) of the aforementioned regulations.
- c. specific situations apply as defined under regulation 33 of the aforementioned regulations – we publish a contract notice under these circumstances.
- d. research and development spend which benefits NHS Scotland and its patients.

Performance

We committed to advertising opportunities and placing award notices for our call-off requirements on Public Contracts Scotland to maintain our Public Contract Register. We performed 49 regulated Procurements over the period of which 47 of these complied with our strategy with 2 being non-compliant. This represents 99% of our regulated procurements by value over the period as compliant.

Due to our sole source justification process, we can easily identify those procurements that don't comply with our strategy, along with the reasons for this. These reasons are scrutinised by the Procurement Team and where necessary, the NSS Director of Finance. If these are approved to proceed, we work with colleagues to ensure that we plan in any follow-on purchases through a regulated procurement process. During the reporting period we undertook 7 regulated procurements with a value of £772,000 procurements under open competition to replace agreements previously put in place via our sole source justification process.

We also now have a digital procurement presence across NSS which provides a simpler way for colleagues to interact with us and to access clear information on what contracts are available for use. Our contract register is highly accurate, and our message is clear that we prize transparency in spend very highly and will publish non conformant spend within this report to reinforce our commitment to that transparency.

Sustainable procurement

NSS as an anchor institution

Anchor institutions are large and locally rooted organisations that employ many people, spend substantial funds, own, and manage land and assets, often deliver crucial services, and they have a weighty impact on local communities and economies. NSS is an anchor institution across multiple localities across central Scotland, for example in the proximity of our various distribution centres in Larkhall and Holytown.

As demonstrated within this report, procurement plays a significant part in supporting NSS as an anchor institution by supporting local supply chains and delivering social value from procuring goods and services.

General policy

Within our Procurement Strategy we stated that NSS will use the following Scottish Government recommended tools to meet our community benefit goals. By using the tools below and with reference to the statutory guidance, we implemented the community benefits detailed in this section.

- Scottish Public Procurement Prioritisation Tool
- The sustainability test
- Life cycle impact mapping; and
- the Scottish Flexible Framework

Benefits delivered in period

During the year, we carried out tender exercises, contract extensions and supplier management that included a number of expected benefits to be delivered by our supply base as the result of our contracts.

Community activity

- The purchase of a commercial dishwasher for Garnock Valley Men's Shed
- Employee time offered on a variety of fundraising activities which support Create Paisley on an ongoing basis in and around the Glasgow area.
- Christmas event for children and family impacted by poverty organised by NSS supplier.
- TV donated by supplier to the Hawick Men's Shed

- Supplier offered project management time to a local charity Mecoco
- 25 laptops donated to Action for Children

Employment

- 100 jobs created in Stranraer by our National Contact Centre supplier
- 35 jobs supported in Larkhall by our managed transport contract

Supporting education, learning and schools

- Procurement graduate trainee supported within the team

Economic

- Facilities contracts split into regional lots.
- We continued our Real Living Wage accreditation
- 13 suppliers committed to paying employees the real living wage during tender exercises
- 93.7% of invoices were paid within the stipulated contractual terms across the period covered by this report and 83.1% were paid within 10 days of receipt
- Our standard terms and conditions were updated to require our suppliers to pay sub-contractors within a specified period not exceeding 30 days from receipt of a valid invoice

Supported businesses

- Within the reporting period NHS NSS spent £362,255 with supported businesses

Environmental

- Gold rating as part of the National Sustainability Assessment Tool for procurement within NSS
- Taxi contract awarded is certified carbon neutral
- Pathway to net zero by 2032 developed with our National Distribution Service third party logistics partner with trials to commence in FY2022-23 on alternatives to fossil fuels.
- Where there is any requirement to dispose of IT hardware we utilise the reuse channel provided via the national contracts for laptops (SP-19-016) and desktop (SP-19-020)

Financial sustainability

Supporting the NSS Financial Sustainability Strategy and ensuring value for money for Scottish taxpayers is a key priority for the procurement function. This is demonstrated by the savings delivered from procurement activity in the reporting year of £2.1M cash releasing efficiency savings and a £576K cost avoidance.

Cost and Commercial Steering Group

To drive value from NSS' third-party spend (against the core budget / NSS' "bottom line"), a Cost and Commercial Steering Group (CCSG) was established. The group has senior level representation from across the organisation and is chaired by the Director of Finance. The group provides oversight to drive compliance with Standing Financial Instructions (SFIs) and procurement legislation, contract management and cost optimisation.

The CCSG has representation from across our Strategic Business Units and Corporate Support functions and includes Procurement and Management Accounting teams who work together to identify opportunities and drive value with regular review meetings established to help us control costs and identify efficiencies relating to our third-party spend.

Compliance

The NSS Procurement team check all purchase orders with a value over £10k to ensure compliance with regulations and our SFIs. During the reporting period the team checked and approved over 1,200 purchase orders covering spend from across all NSS services.

During the period we also focused on improving the quality of data contained within purchase orders and increased the number of purchase orders that included a valid contract reference from 54% to 84%. This will significantly help us track spend and identify any areas which are not compliant with our procurement strategy.

To support NSS' Financial Sustainability Plan there was also a strong focus on increasing accountability and scrutiny of third party spend. During the reporting period, £772,000 worth of contracts which were previously awarded via our Sole Source Justification process were tendered via open competition. This increased the ability for suppliers, including SMEs, to work with NSS, increased the level of governance and scrutiny around these awards and ensured best value for NSS.

Supplier management

We revised our SFIs to ensure that there is a standardised approach across NSS in relation to supplier management activities with a strong focus on cost and sustainability.

Whole life costing

We ensured that whole life costing was incorporated in all relevant procurement exercise i.e., cost of a product or service from cradle to grave taking into account purchase, operation, ownership and disposal costs.

Buy alternatives

To reduce demand, which in turn can reduce third party spend and our carbon footprint, we increasingly worked with colleagues across our various Strategic Business Units to identify alternatives to purchasing goods or services. For example, this included reviewing the opportunity to utilise internal resources or repairing and re-using products such as furniture.

Strategy performance review

This section demonstrates how NSS Procurement team has contributed to the achievement of the procurement priorities defined within the 2020-25 NSS Procurement Strategy.

Priority – Balance resources against increasing service demand commitments

Achievements in reporting year

During the reporting period we fully rolled out the use of our procurement planning tool and maximised our use of the platform to assign, track and report on procurement projects. This enabled us to continue to deliver the unprecedented level of regulated procurements which have arisen since the COVID-19 pandemic.

We utilised a supplier segmentation tool to help us identify and focus our resource on our strategic and bottleneck suppliers. We also revised SFIs to include specific reference to the supplier management activities in line with the Scottish Government Procurement Journey.

We maximised our use of the capabilities available within our tendering platform by conducting all technical and commercial evaluations within the system.

We expanded our internal process documents to standardise our approach to regulated procurement exercises reducing variation across projects.

We increased the number of purchase orders which included a contract reference from 54% in the previous financial year to 84%. This significantly increased our ability to track contract spend and ensure compliance across our third party spend.

We continue to use our Professional Services Dynamic Purchasing System to allow us to issue multiple tenders in a very short timescale with low entry barriers typically suited to SMEs.

Priority – People

Achievements in reporting year

There continues to be a strong focus on continued professional development within the team. During the reporting year our team members undertook a skills self-assessment utilising the Scottish Government Procurement Development Framework. This tool was used to help identify training needs and to support professional development.

Some of our team members continue to work towards a professional qualification with the Chartered Institute of Procurement and Supply.

We have worked hard to create a supportive work environment that nurtures our internal resource and helps to develop our procurement people of tomorrow. This is demonstrated in our corporate procurement category team which has 70% of positions filled by temporary promotions.

We continue to review and improve our internal work instructions and hold regular team training sessions for procurement staff to share knowledge or seek feedback and advice on specific issues.

Throughout the reporting year most of the team have been working from home and it has therefore been more important than ever to recognise individual team members have faced different challenges in delivering the significant volume of complex and challenging work in a different environment. Mental wellbeing has been a key focus for the team, with staff encouraged to keep in contact with each other and provide support where needed. Staff have also been encouraged to make use of the resources available through the wider organisation to support their wellbeing.

Priority – Customers and stakeholders

Achievements in reporting year

We continuously review our performance and seek feedback from NSS colleagues to understand how we are viewed by our colleagues and where we can improve, and we regularly survey our service users. Our recent survey demonstrated that we are exceeding the NHS NSS benchmark satisfaction scores.

Customer satisfaction: 90% (NSS Target 70%)

Methodology: On a scale of 1 – 10, 'Overall how satisfied are you with X?'

We have further developed our supplier management process during the reporting year and imbedded a 360° supplier management approach establishing clear communication with suppliers and stakeholders around performance.

Our dedicated procurement business partners are imbedded within key areas of the organisation – facilities and estates, logistics and Scottish National Blood Transfusion Service (SNBTS) – to provide strategic advice and commercial expertise.

Priority – Value delivery

Achievements in reporting year

We committed to obtaining value for money through best practice contracting and supplier management and through undertaking key strategic procurement activities. Over the period we delivered over £2.7M in savings and cost avoidances. Further details on page 14.

As well as delivering financial benefits we have also been able to leverage our third party spend to deliver benefits to the wider community as demonstrated in by the non-financial benefits detailed on page 12.

Future regulated procurement summary

Project Name	Contract Iteration	Forecast Annual Spend	Expected Notice Publication Date	Expected Award Date	Expected Contract Start Date
Dry Ice	Renewal	£10,000	Published	Awarded	01/05/2022
Shrink Wrap	Renewal	£25,000	Published	Awarded	31/05/2022
Courier Services	Renewal	£50,000	Published	Awarded	01/06/2022
NCIVAS Manufacturing Process Proof of Concept Proposal	New	£115,000	Published	Awarded	01/06/2022
BlackLine Expertise	New	£150,000	Published	Awarded	13/06/2022
GP Record Transfer	New	£100,000	Published	Awarded	23/06/2022
Net Zero Route Maps	New	£299,985	Published	Awarded	01/07/2022
Feasibility Assessment Power and Heat	New	£40,000	Published	Awarded	01/07/2022
SNBTS Managed Service Red Cell Serology	Renewal	£440,000	Published	02/08/2022	01/09/2022
Pest Control	New	£15,000	Published	01/09/2022	01/10/2022
Warehouse Mechanical Handling	Renewal	£250,000	04/07/2022	02/10/2022	01/11/2022
NDC Roll Cages & Tote Boxes	New	£50,000	02/09/2022	01/12/2022	31/12/2022
Document Storage	Renewal	£300,000	02/09/2022	01/12/2022	31/12/2022
Additional Call Centre Capacity Framework	Renewal	£15,000,000	08/10/2022	06/01/2023	05/02/2023
Debt Management Services	Renewal	£15,000	31/10/2022	29/01/2023	28/02/2023
GP Practice Record Scanning	Renewal	£100,000	15/11/2022	13/02/2023	15/03/2023
Cycle to Work Scheme	New	£50,000	01/12/2022	01/03/2023	31/03/2023
Platelet Additive Solution	New	£27,000	01/12/2022	01/03/2023	31/03/2023
Primary Blood Grouping Analyser	New	£500,000	02/12/2022	02/03/2023	01/04/2023
Internal and Service Audits	Renewal	£400,000	02/12/2022	02/03/2023	01/04/2023
Vending Machines	Renewal	£10,000	02/06/2023	31/08/2023	30/09/2023

International Blood Packs	New	£1,100,000	04/07/2023	02/10/2023	01/11/2023
Procurement Leadership Resource	Renewal	£30,000	02/09/2023	01/12/2023	31/12/2023
Additional Call Centre Capacity Call Off - NCC	Renewal	£10,000,000	03/12/2023	02/03/2024	01/04/2024
Media Planning, Buying & other Associated Services for SNBTS	Renewal	£244,000	03/12/2023	02/03/2024	01/04/2024
NHS Scotland Assure Research Service Commissioning Partner	Renewal	£1,000,000	03/12/2023	02/03/2024	01/04/2024

Report ownership and contact details

In line with the Procurement Reform Act and to ensure our annual procurement report details our performance against strategy, this report is subject to formal annual review and approval by the NSS Performance, Procurement and Finance Committee.

Report Owner: Kris Lindsay

Designation: Head of Procurement

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Telephone: 0131 275 7454

Appendix 1 - Regulated procurements in period

TITLE	AWARD DATE	START DATE	END DATE	VALUE	SUPPLIER NAME
NP602016 DPS call-off - Financial Improvement Support	01/04/2021	16/04/2021	16/12/2022	£218,000	Assured Change Limited
NSS212213 Develop the Business Case for SEER 2.0	05/05/2021	05/05/2021	05/07/2021	£138,540	Capgemini UK Plc
NSS212214 Independent review of the Contractor Finance Service	13/05/2021	17/05/2021	17/07/2021	£99,750	Deloitte LLP
NSS212207 NHS Scotland Scan4Safety Business Case Development	17/05/2021	24/05/2021	24/07/2021	£59,680	Deloitte
NSS212222 Sharepoint Specialist interim staff	24/05/2021	24/05/2021	24/02/2022	£60,000	Hays Specialist Recruitment Ltd
NSS212202 Facilities Management Redesign Additional Services	01/07/2021	01/07/2021	01/07/2022	£106,500	Nodus Solutions Ltd
NSS212228 Mini Comp call off - Additional Call Centre Service Capacity Framework Agreement - NSS NCC	26/08/2021	30/08/2021	30/03/2022	£10,800,000	Pursuit Marketing Ltd
NSS202141 Collection and Delivery of Blood Components, Samples, Tissues and Cells	01/09/2021	01/09/2021	01/09/2022	£160,000	Eagle Couriers
Portal Ref: 667515 Award of Creative Advertising - SNBTS	15/09/2021	15/09/2021	14/09/2023	£235,518	The Union Advertising Agency Ltd
NP602016 DPS call-off - Business Analysis Services	15/09/2021	26/08/2021	26/11/2022	£376,195	Anserv Limited
NP602016 DPS call-off - Redesign of Review Process for NSD	15/09/2021	26/08/2021	26/11/2022	£376,195	SCMG
NP602016 DPS call-off - Data Migration Services	15/09/2021	26/08/2021	26/11/2022	£376,195	Paul Tervit Limited
NSS212216 Off Site Storage Framework Agreement	16/09/2021	01/11/2021	01/11/2023	£1,900,000	XPO

NSS212216 Off Site Storage Framework Agreement	16/09/2021	01/11/2021	01/11/2023	£1,900,000	Stanford logistics limited
NSS212216 Off Site Storage Framework Agreement	16/09/2021	01/11/2021	01/11/2023	£1,900,000	John G Russell
Portal Ref: 693977 Award of Provision of Coddington Racking	17/09/2021	17/09/2021	18/09/2021	£667,348	CSI Limited
NSSCOVID-19-345 Coddington Warehouse Fit Out	17/09/2021	13/09/2021	13/04/2022	£2,525,405	FES Support Services Ltd
NSS181964 Bacterial Monitoring	05/10/2021	01/03/2022	01/03/2027	£2,000,000	bioMerieux UK Limited
NSS212219 Provision of Edinburgh Taxi Service	11/10/2021	21/12/2021	21/12/2025	£320,000	Central Taxis
NP602016 DPS call-off - ServiceNow Consultancy & Talent Management	26/10/2021	26/10/2021	26/10/2022	£434,160	QA Limited
NP602016 DPS call-off - Drug Policy Programme	26/10/2021	26/10/2021	26/10/2022	£434,160	KPMG LLP
NSS192061 Apheresis Collection Systems	08/11/2021	01/03/2022	01/03/2029	£1,160,000	Terumo BCT Europe NV
NSS212209/a Hard FM Mechanical & Electrical	10/12/2021	01/04/2022	01/04/2025	£7,008,000	FES FM Ltd
NSS212209/a Hard FM Mechanical & Electrical	10/12/2021	01/04/2022	01/04/2025	£7,008,000	SPIE LIMITED
NSS212220 Temperature Mapping Services	17/12/2021	10/01/2022	10/01/2023	£55,000	VWR International Ltd
NSSCOVID-19-356 NHS Scotland Vaccination Programme: iPads & Data support	10/01/2022	10/01/2022	10/01/2025	£549,866	Telefonica (O2) UK Ltd
NSS 212248 Financial Improvement Support	14/01/2022	14/01/2022	14/07/2022	£114,000	Assured Change Limited
NSS212221 NHS Scotland Assure Research Service Commissioning Partner	21/01/2022	01/02/2022	01/02/2024	£1,150,000	Edinburgh Napier University
NSSCOVID-19 264a Elisa Convalescent Plasma	07/02/2022	01/12/2021	01/04/2022	£100,000	Euroimmun UK
NSS212241 Automated NAT Assay System	10/02/2022	01/03/2022	01/03/2027	£330,000	Cepheid UK Ltd
NSS212247 Calibration Services	11/02/2022	01/04/2022	01/04/2025	£108,000	Fluke UK Ltd
NSS212233 -Warehouse Mechanical Handling Equipment (Titan Warehouse)	14/02/2022	01/02/2021	01/10/2022	£364,000	Lothian Mechanical Handling Ltd
NSS212209/c Landscaping Services	17/02/2022	01/04/2022	01/04/2025	£1,146,496	GP Plantscape Ltd
NSS212243 Temperature Mapping Kits	22/02/2022	01/04/2022	01/04/2027	£88,200	Cambridge Life Sciences Ltd
NSS212238 Framework Scotland Central Audit	23/02/2022	23/02/2022	23/07/2022	£110,000	KPMG LLP
NSS212240 SNBTS Donor Beds	07/03/2022	01/04/2022	01/04/2026	£65,000	Strub UK Ltd

NSS212217 Managed Transport	16/03/2022	01/04/2022	01/04/2026	£17,500,000	Menzies Distribution Ltd
NSS222311 Washrooms and Mats	18/03/2022	01/04/2022	01/04/2025	£36,540	Initial Washroom Solutions
NSS222304 Delivery of Enable & Assist Desires	30/03/2022	01/04/2022	01/07/2022	£21,000	Risk Asset Consulting Ltd
NSS222302 Window Cleaning	31/03/2022	01/04/2022	31/03/2025	£14,700	Greig Avinou Ltd
NSS222303 Laundry Services	31/03/2022	01/04/2022	31/03/2025	£19,812	Johnsons Apparelmaster

Appendix 2 - Reporting metrics

1. Organisation and report details	
a) Contracting authority name	NHS National Services Scotland
b) Period of the annual procurement report	FY2021-22
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	59
b) Total value of regulated contracts awarded within the report period	£62,156,260
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	46
i) how many of these unique suppliers are SMEs	22
ii) how many of these unique suppliers how many are third sector bodies	0 (zero)
3. Review of regulated procurements compliance	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	47
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	2
4. Community benefit requirements summary	
Use of community benefit requirements in procurement:	
a) Total number of regulated contracts awarded with a value of £4 million or greater.	4

b) Total number of regulated contracts awarded with a value of £4 million or greater that contain community benefit requirements.	4
c) Total number of regulated contracts awarded with a value of less than £4 million that contain a community benefit requirements.	35
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 (each contracting authority sets its own priority groups)	100
e) Number of apprenticeships filled by priority groups	Not recorded
f) Number of work placements for priority groups	Not recorded
g) Number of qualifications achieved through training by priority groups	Not recorded
h) Total value of contracts sub-contracted to SMEs	Not recorded
i) Total value of contracts sub-contracted to social enterprises	0 (zero)
j) Total value of contracts sub-contracted to supported businesses	0 (zero)
k) Other community benefit(s) fulfilled	23
5. Fair Work and the real Living Wage	
a) Number of regulated contracts awarded during the period that included a Fair Work criterion.	47
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.	13
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	2
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	Not recorded
6. Payment performance	
a) Number of valid invoices received during the reporting period.	94,694

b) Percentage of invoices paid on time during the period (“On time” means within the time period set out in the contract terms.)	93.7%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	39
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0 (zero)
7. Supported Businesses Summary	
a) Total number of regulated contracts awarded to supported businesses during the period	0 (zero)
b) Total spend with supported businesses during the period covered by the report, including:	0 (zero)
i) spend within the reporting year on regulated contracts	0 (zero)
ii) spend within the reporting year on non-regulated contracts	0 (zero)
8. Spend and Savings Summary	
a) Total procurement spend for the period covered by the annual procurement report.	£102,032,381
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£47,649,121*
c) Total procurement spend with third sector bodies during the period covered by the report.	£362,255
d) Percentage of total procurement spend through collaborative contracts.	31%
e) Total targeted cash savings for the period covered by the annual procurement report	£1.1M
i) targeted cash savings for Cat A contracts	£0 (zero)
ii) targeted cash savings for Cat B contracts	£0 (zero)
iii) targeted cash savings for Cat C contracts	£1.1M
f) Total delivered cash savings for the period covered by the annual procurement report	£2.1M
i) delivered cash savings for Cat A contracts	£0 (zero)
ii) delivered cash savings for Cat B contracts	£0 (zero)
iii) delivered cash savings for Cat C contracts	£2.1M

g) Total non-cash savings value for the period covered by the annual procurement report	£576k
9. Future regulated procurements	
a) Total number of regulated procurements expected to commence in the next two financial years	26
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£30M

*Estimate based on applying % of NSS spend with SMEs to in-scope spend.

Glossary

Term	Definition
Bottleneck	Bottleneck products/services are items that represent a relative limited value in terms of money but they are vulnerable with regard to their supply. Often bottleneck products/services can only be obtained from one supplier.
Cash releasing efficiency savings (CRES)	A cash saving on a given budget which reduces that budget from a previous baseline, for example if it costs £100 to deliver a service previously and a new contract delivers the service at £90 the difference is the CRES.
Community benefits	Community benefits are requirements which deliver wider benefits in addition to the core purpose of a contract. These can relate to social, economic and or environmental benefits.
Cost avoidance	The act of eliminating costs or preventing their occurrence in the first place. It tends not to show up on, but materially impacts, the bottom-line cost and is normally referred to as a “soft” cost saving, in other words. negating supplier requests to increase costs, procuring services/goods/ works under budget, obtaining prices lower than the market average/median
Dynamic purchasing system (DPS)	An electronic system through which contracting authorities can source requirements by inviting tenders from admitted suppliers. Unlike framework agreements, suppliers can apply to join the DPS at any time in the life of the DPS; they are not required to submit tenders in order to join the DPS. All suppliers who meet the selection criteria have to be admitted. A DPS permits contracting authorities to move straight to the tender phase when a contract opportunity arises.
SNBTS	Scottish National Blood Transfusion Service – an NSS Strategic Business Unit
Supported business	An establishment where more than 50% of the workers are disabled persons who by reason of the nature or severity of their disability are unable to take up work in the open labour market
Standing financial instructions	Details the financial responsibilities, policies and procedures adopted by NSS. They are designed to ensure that financial transactions are carried out in accordance with the law and government policy in order to achieve probity and accuracy.

Term	Definition
The real living wage	An hourly rate set independently and updated annually by the Living Wage Foundation
Small and medium sized enterprises	Enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding enterprises (SMEs) 50 million euros, and/or an annual balance sheet total not exceeding 43 million euros
Whole life costing	A technique used to establish the total cost of acquisition and ownership. It is a structured approach which addresses all the elements of cost and can be used to produce a spend profile of the product over its anticipated lifespan.