**Public Services Delivery**
Scotland

# National Procurement **Sitrep**

| Overall RAG Status: GREEN | Highlights/Reasons for RAG Status |
|---|---|
| Middle East Conflict Impact Assessment | • Overall RAG status is Green, noting there remains continued risk and uncertainties on the overall global situation.<br>• National Procurement continue to engage across their supplier network to assess any immediate, medium and long-term impacts from the crisis.<br>• In addition to the ongoing supplier activity, NP are liaising with health boards on any risks to direct supply as well as coordinating with DHSC and NSDR (National Supply Disruption Response) teams to provide full national engagement. |

## Status by Category

### 1. National Procurement (Strategic Sourcing)

Helium supply risk was flagged in March 2026 following geopolitical disruption in the Middle East, specifically Qatar, which accounts for approximately one third of global helium production. While the UK does not directly source helium from Qatar, there is potential for indirect global market pressure if disruption persists. The primary NHSS dependency is helium for MRI scanners; other medical uses are limited and specialist. No current disruption to helium supply for NHS Scotland services. Suppliers have indicated no immediate risk to supply in UK and have sufficient reserves in place to mitigate and are also exploring different logistics pathways to support.

Global shipping disruption linked to Red Sea / Suez instability. No impact on product availability; potential upward pressure on freight and landed costs if disruption persists.

Imported medical devices, consumables and equipment with Asia–Europe supply routes. DHSC and NP assessments confirm availability risk remains low. Majority of shipping already routing via alternative routes. NP continues horizon scanning and supplier engagement to monitor cost impacts.

Supplier cyber security risk associated with geopolitical instability. No current service disruption, risk is indirect and precautionary. Strategic and critical suppliers across multiple categories. Suppliers with touch points in Isreal or USA at higher risk. NP has proactively sought assurance from key suppliers on cyber resilience as part of wider geopolitical risk engagement

## 2. National Procurement (Medicines)

DHSC are leading on medicines supply resilience at UK level. They have advised that the UK has no direct dependencies on Iran and only limited dependencies on other Middle Eastern countries aside from Israel. A small number of products may pose vulnerability due to their sole-supplier status; the DHSC is engaging with companies and closely monitoring. There is no evidence of a reduction in the supply of medicines to Scotland due to challenges in the Middle East.

The Healthcare Distribution Authorisation, the pharmaceutical wholesaler trade body, has signalled that wholesalers may begin to introduce fuel surcharges; surcharges are not known to have begun to be imposed. There are also examples of pharmaceutical suppliers signalling that they may need to review prices linked to cost pressures related to energy and raw material inputs.

Questions are being received from medicine suppliers about Government plans for a fuel shortage scenario. Standard lines are being sought from SG to ensure consistent messaging to the market.

The pharmaceutical supply chain is provided by commercial suppliers and external to the NHS; advice is also being sought from SG on any actions that should be taken now to prepare for a fuel shortage scenario, for example identification of priority suppliers.

## 3. National Procurement (National Distribution Service)

Fulfilment rates for health boards remain consistently above 99% since the start of the conflict. Critical product lines continue to have strong stock levels, supported by forward planning and ordering to meet demand.

All 400 NDS suppliers have been requested to provide ongoing heatmap reports on emerging risks and any concerns about supply pipelines and fulfilment, including any risks associated with cyber security and potential disruption to logistics operations.

To date, feedback has been positive; no immediate risks or concerns have been identified. Suppliers are maintaining inbound logistics and holding contingency stock at UK and European centres where necessary, ensuring product availability stays at the required levels.

Ongoing collaboration with DHSC and NSDR is being maintained to guarantee comprehensive awareness of any potential threats or risks related to supply disruptions.

## 4. Health Boards

A reporting tool has been implemented across all health boards to monitor activities not associated with National Procurement framework or National Distribution Service provision.

Current feedback suggests minimal risk and no urgent issues regarding any service or goods provision.

The established NP forums with boards of National Efficiency Operational Group (NEOG), and the Category Managers Collaboration Group (CMCG), are being leveraged to gather input from the reporting tool, enabling prompt access to support and provide resilience measures.

## 5. Commercial

Certain commercial pressures have been noted within the supplier network regarding fuel surcharges associated with logistics expenses. Activities will proceed in accordance with established governance and contractual protocols. Furthermore, additional constraints have emerged in the nitrile gloves market due to a shortage of butadiene gas, which are being addressed in line with framework terms. NP continues to monitor potential commercial impacts through ongoing supplier management practices.

### Summary

**The overall position remains stable, and established processes ensures that prompt engagement and effective collaboration is ready should any disruption occur. This has been demonstrated most recently by the work completed around the Stryker cyber-attack with continuity of service achieved across the network.**

**Continued supplier engagement and the implementation of reporting tools are enhancing risk management profiling across the product and service portfolio.**

### Next steps

**Review and evaluate any identified risks or issues, and implement contingency measures as needed to maintain service continuity.**

Date of next report: Wed 15th April 26

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