

THE STATE HOSPITALS BOARD FOR SCOTLAND

ANNUAL PROCUREMENT REPORT

April 2022 March 2023

Responsible Director	Robin McNaught – Finance and eHealth Director
Lead Manager	Stuart Paterson – Head of Procurement
Approved by	The State Hospital Audit and Risk Committee
Date Approved	25 th January 2024
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Table of Contents

Introduction

Procurement Highlights

Section 1 – Summary of Regulated Procurement Completed

Section 2 – Review of Regulated Procurement Compliance

Section 3 – Community Benefit Summary

Section 4 – Supported Businesses Summary

Section 5 – Future Regulated Procurements Summary

Section 6 – Other Content for Consideration

Introduction

To comply with the Procurement Reform (Scotland) Act 2014 (The Act), the State Hospitals Board for Scotland is required to publish a Procurement Report annually detailing information on all regulated procurement activity. This report reflects information for the period April 2022 to March 2023. In addition to reporting previous activity, the report includes information on all regulated procurements that are planned for the period (April 2023 – March 2024).

The professional management of procurement activity is an important factor contributing towards the efficient operation of the State Hospitals Board for Scotland and the attainment of corporate objectives as identified within the Local Delivery Plan.

The State Hospital has a total non-pay spend of around £7.5m per annum including VAT with around £3.2 m spend with other public bodies.

The current Procurement Strategy positions procurement activity visibly within the Board objectives establishing Board level commitment to and involvement in the management of the Health Board's procurement deliverables. In addition, it sets out clear, measurable objectives and priorities for improvement, which are closely monitored. Progress against strategic objectives is reported annually to the Board Audit and Risk Committee, and the Senior Management Team by the Finance and e-Health Director who is the nominated Director with responsibility for Procurement Services.

The strategy addresses key procurement issues over a 3-year period and is subject to annual review.

Following publication of the Boards Annual Procurement report, the Board's Procurement Strategy shall be updated in line with "The Act" and presented for approval at a future Audit committee and Procurement Steering Group meeting.

The strategy is delivered through the line management accountability structures with clear targets and timescales being established in relation to improvement in procurement activity undertaken at strategic and operational levels. These targets are reflected within the individual performance plans of the Head of Procurement.

The compliance and outcomes set out in the Strategy document apply to all parts of the organisation and all procurement activity undertaken by The State Hospital.

The State Hospital procurement requirements are met via local, regional or National contracts. Other routes to market include, in excess of £50,000 (regulated procurements) are advertised on the Public Contracts Scotland website and for regulated procurements over previous EU thresholds, in the Find a Tender (FTS) website

The State Hospital has also taken the decision to publish both regulated and non-regulated contracts on our public facing contracts register on Public Contracts Scotland.

Procurement Highlights

- Fully supported the Capital Group to ensure projects were delivered including the implementation of the new Key Safe System
- Facilitated the tender process for a new Occupational Health Service resulting in a significant cash relasing saving for a better value service.
- Contributed to the successful ICO Audit
- Head of Procurement represents all National Boards Heads of Procurement at Procurement Strategic Group chaired by Scottish Government as well as a NHS Scotland wide Resilience Group.
- 93.5% iMatter Team satisfaction rate
- Service Level Agreements awarded to other NHS Scotland Health Boards

Section 1 – Summary of Regulated Procurement Completed

- 1.1 As a Scottish Public Body, The State Hospital is committed to the principle of transparency, which it implements through publishing its regulated procurement activities via the Public Contracts Scotland portal, and, where appropriate, the Official Journal of the European Union. The following table provides a high-level summary of the regulated procurements awarded within the 2022/23 financial year covered by this report:

Date of Award	Contract Description	Awarded To	Estimated Value
21/06/22	Key Safe Management System	Deister Ltd	£250,000
29/12/22	Hostile Vehicle Mitigation System	Brick and Steel Ltd	£194,000

- 1.2 Non - Regulated Procurements completed during the year:

Date of Award	Contract Description	Awarded To	Estimated Value
29/03/23	Occupational Health Service (Non – Regulated due to Health Service)	Dumfries and Galloway Health Board	£270,000
28/06/22	Single Use Non Plastic Kitchen Disposables	Celebration Packaging Ltd	£25,000
12/10/22	PABX Telephony Maintenance Services	HFD Technologies	£43,000
30/08/22	Website Redesign	Daysix Ltd	£12,000
28/03/23	Egg & Nest Removal Service	Pest Solutions Ltd	£7,000

10/03/23	Pest Control Services	Speedy Pest Control Ltd	£10,500
28/03/23	Window Cleaning Services	Struan Window Cleaning Ltd	£14,000

Section 2 – Review of Regulated Procurement Compliance

2.1 Tender Waivers

In the year 2022/2023, the State Hospital chose to waiver its standard SFI's relating to the quotation and tendering process for the following contracts:

Date of Award	Contract Description	Awarded to	Estimated Value
06/04/22	Lifting Equipment Insurance Inspection Contract	AON Risk Solutions	£5,053
21/04/22	Preventative Maintenance & Call Out Provision For Gates & Turnstiles	Gunnebo UK Ltd	£14,894
21/04/22	Vmware Licence Renewals	Trustmarque	£6,063
05/05/22	Datix Licence Renewal	Datix	£23,156
21/07/22	Support & Maintenance - HEPMA	Restart Consulting Ltd	£44,240
11/08/22	Repair 7 Maintenance Biomass Boiler	BBSM Ltd (Biomass Repair)	£12,679
11/08/22	BMS Maintenance & Support	Schnieder Electric	£26,848
17/08/22	EV Charging Points (Grant Funded)	Swarco	£46,162
13/09/22	Replacement Batteries For Control Room Ups	RMD Ltd	£10,809
28/09/22	Replacement Doors Family Centre	Chubb Custodial Locks	£30,178
28/09/22	Replacement Doors Skye Centre	Chubb Custodial Locks	£17,603
28/09/22	Family Centre CCTV & Intercom	SCS	£24,373
23/01/23	Rio Core Support Renewal	Access UK	£50,000

06/02/23	Replacement Of Cooling Radiator Core	Powertec Generators Ltd	£15,888
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Although these Procurements have been waived, a formal process and sign off was undertaken with Procurement involvement. There has been a reduction in the number of waivers completed this year which reflects better collaborative work from Procurement with other departments.

Only one waiver was over the regulated tender level of £50k.

Section 3 - Community Benefit Summary

During the reporting period, there were no community benefit requirements as part of the regulated procurements undertaken. Where appropriate, The State Hospital have included corporate and social responsibility factors, including the fair work first criteria in the tender evaluation criteria in order to recognise employers who pay the real living wage, employ people through apprenticeship schemes and/or are involved in local charities. Although not a mandatory requirement TSH will consider Community Benefit clauses in all regulated tenders.

Section 4 - Supported Business Summary

A £30k order was placed with Dovetail Enterprises under the Supported Business Framework for replacement Patient Lockers. We will continue where possible to award orders to Supported Businesses under this framework.

Section 5 - Future Regulated Procurements Summary

Tender Title	Procurement Type	Intended Start Date	Estimated Value
Digital Innovation Systems	Open Tender	TBC	Unknown
Patient Advocacy Services	Open Tender	January 2024	£510k
Replacement for Wireless Network	Framework	November 2023	£100k

Section 6 - Other Content for Consideration

6.1 Collaborative working

The National Health Boards (NHB) Procurement Group continue to meet monthly and are working together to focus on collective targeted savings, seeking new opportunities to work collaboratively across the NHB community.

The State Hospital also procures various services from the territorial boards to ensure the spirit of collaboration is maintained across the entire procurement arena. We regularly work with other Boards to develop service level agreements to meet the needs of both our patients and the organisation. A large programme of work is continuing to review these agreements to meet our current requirements.

6.2 Sustainable Procurement Duty

The Procurement Reform (Scotland) Act 2014 requires authorities to comply with the Sustainable Procurement Duty where applicable. The Scottish Government Sustainability Toolkit is used in all regulated Tenders to identify opportunities to ensure sustainable contracts. Electric Vehicles (EV) have now been added to the Fleet and the Procurement Team are working with Estates and Facilities to introduce further EV's. EV charging points have now been extended to the Car Park for staff use and additional points are being added internally for future EV's. New LED lighting is also being introduced across the Hospital. We are also fully engaged with the Climate Change and Sustainability Group in supporting the transition to a net-zero carbon emissions organisation.

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