



Document Title:

Department:

Approval:

Annual Report 2019-20

Procurement

NHS 24 Finance and Performance Committee

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2 Introduction

To comply with the Procurement Reform (Scotland) Act 2014 (The Act), NHS 24 is required to publish Procurement Report annually detailing information on all regulated procurement activity. This report reflects information for the period 1st April 2019 to 31st March 2020. In addition to reporting previous activity, the report includes information on all regulated procurements that are planned for the next two-year period (1st April 2020 – 31st March 2022).

A regulated procurement is any procurement for goods or services with an estimated value over the life of the contract of £50,000 or more and any such procurement for works with an estimated value over the life of the contract of £2,000,000 or more.

The professional management of procurement activity is an important factor contributing towards the efficient operation of NHS 24 and the attainment of corporate objectives as identified within the Annual Operating Plan. It is essential for both patients and staff that quality projects, supplies and services are delivered on time to NHS 24 within optimum commercial arrangements.

NHS 24 Board had a total expenditure with 3rd party suppliers of £15,858,800 net of Vat (based on financial year 2019/20 data).

This is expenditure that is influenced by procurement and subject to contract and/or tendering activity.

The Procurement Strategy positions procurement activity visibly within the organisation, establishing Board level commitment to and involvement in the management of the Health Board's procurement deliverables. It additionally sets out clear, measurable objectives and priorities for improvement which are closely monitored. Progress against strategic objectives is reported annually to the NHS 24 Board, by the Director of Finance & Performance who is the nominated Director within the Board with overall responsibility for Procurement Services. The strategy addresses key procurement issues over a 3-year time frame and is subject to annual review.

The strategy is pursued 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 NHS 24's service level agreement for procurement services.

The Head of Procurement has responsibility for procurement services that cover both the Scottish Ambulance Service and NHS 24. Therefore the compliance and outcomes set out within each of the individual Strategy documents apply to all parts of both organisations and all procurement activity undertaken by National Waiting Times Centre and NHS 24.

Please note that a separate Procurement Annual Report will be prepared and published in respect of National Waiting Times Centre procurement activity.

The report owner is:

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3 Summary of Regulated Procurements 2019/20

The following is a list of regulated procurements completed during the period April 2019 to March 2020.

Supplier	Description	Complied with Procurement Strategy	Community Benefits
365 Health and Wellbeing	Computerised Cognitive Behaviour Therapy (Ccbt) Software	Yes	No
Republic of Media	NHS24 Mini Comp NP830/19 (SP-18-007) Provision of Media Planning, Buying and Associated Services	Yes	No
Redpoll Group	NHS24 Connect Programme	Yes	No

Further detail for procurement exercises is contained in Appendix 1.

4 Procurement Strategy Procurements not complying with NHS 24

In compliance with the Procurement Reform (Scotland) Act 2014 (The Act) NHS 24 is required to provide information on any Procurement that did not comply with the NHS 24's Procurement Strategy.

This confirms that all of the regulated procurements awarded over the period April 2019 to March 2020 complied with the NHS 24's Procurement Strategy requirements.

5 Community Benefits

Boards are required to provide details of community benefits where they exist. Confirmation is given that no procurement activity undertaken was of a value that required the inclusion of community benefits within the tender process

6 Supported Businesses

The Scottish Government encourages public sector bodies to utilise the services of supported businesses whenever appropriate opportunities arise and to seek the services of those companies on the framework agreement.

In its Procurement Strategy, NHS 24 is committed to ensuring that the framework agreement will be utilised whenever appropriate and consideration will be given to supported business contractors during each tendering exercise.

Procurement team members participate in the annual 'Meet the Buyer' event as part of the P4 Health Conference, where suppliers such as Scotland's Bravest Manufacturing Company were given the opportunity to discuss issues and opportunities with procurement professionals.

However due to the Covid pandemic the event that was scheduled to take place earlier this year had to be postponed. It is now scheduled to take place virtually in Sept and key procurement team members will be participating.

In addition, Procurement team continues to promote the Supplier Development Programme aimed at Scottish SME and 3rd sector suppliers wherever possible.

7 Proposed Regulated Procurements 2020/21 and 2020/22

The following is a list of regulated procurements likely to be undertaken during the next two financial years. Definitive start dates and go live dates are dependent on allocated funding and final approval to proceed.

Title	Annual Budget or Budget Allocation	Start Date	Go Live date
NP Travel Services Framework Agreement	£125,000	TBC	TBC
Occupational Health Services	TBC	TBC	TBC
Creative Services	TBC	TBC	TBC
Live Chat Services (Webchat Solutions)	60,000	04/01/21	01/08/21
Internal Audit*	£65,000	01/11/2022	01/05/2022
Webchat development	TBC	05/01/2021	01/04/2021

*The current contract has an option to extend, if this is not exercised then dates above will be brought forward.

NHS 24 may have to incur significant expenditure over the next two years via the BT and Capgemini contracts. This may include replacing the existing CRM and Contact Centre software supported via the Capgemini contract and phase 1-2 costs of the technology refresh procured via BT. Work is being undertaken with Procurement and CLO to determine the procurement route and they have been left out of the table above as they might not qualify as regulated procurements due to the provisions within the existing contracts.

The table above also excludes the re-procurement of the 111 contract as this is being led by NHS England.

8 Reference Documents / Appendices

Procurement Reform (Scotland) Act 2014

<http://www.legislation.gov.uk/gsp/2014/12/part/1>

Procurement Strategy



Procurement
Strategy NHS 24 Fin:

Appendix 1 – 2019/20 Regulated Procurements.



Appendix 1 NHS 24
Regulated Procurem

Appendix 2 – 2019/20 Annual Report Template



Appendix 2
Procurement Report

Supplier Development Programme

<https://www.sdpscotland.co.uk/>

<https://www.scotlandsbravest.org.uk/>

9 Glossary of Terms

TBC	value and/or start date subject to confirmation
Framework Agreement	In the context of this document, a contract establishing a supplier or suppliers with agreed terms and conditions for the supply of goods services or works established for one or more health board who will call off as required.