



**NHS Orkney**

**Annual Procurement Report**

**April 2018 – March 2019**

**Date of Issue 25<sup>th</sup> September 2019**

**Date of Next Review: April 2020**

## Table of Contents

1	Purpose .....	3
2	Summary Against our Mandatory Requirements .....	4
2.1	Summary of Regulated Procurements .....	4
2.2	Summary of Procurements.....	4
2.3	Collaborative Contracts .....	4
2.4	Analysis of Non Competitive Actions.....	5
2.5	Summary of Community Benefits.....	5
2.6	Supported Business Summary .....	6
2.7	Future Regulated Procurement Summary.....	6
3	Review of Regulated Procurement Compliance .....	7
3.1	Introduction .....	7
3.2	How we review our Regulated Procurements .....	7
3.3	Delivering against our Mandatory Obligations.....	7
4	Strategy Performance Review .....	10
4.1	Key Measures .....	10
4.1.1	NHS Orkney Strategic Objectives.....	10
4.2	Invoice payment performance .....	12
5	Other Items of Note .....	13
5.1	Procurement Structure .....	13
6	Report ownership & contact details .....	14
7	Glossary .....	15
8	Annual Procurement Report template.....	16
	DOCUMENT CONTROL SHEET: .....	18

## 1 Purpose

The purpose of this annual report is to highlight NHS Orkney's 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 procurement spend is being used to support the Health Board corporate aims (Corporate Plan 2018/19) as follows:

- Improve the delivery of safe, effective patient centred care and our services;
- Optimise the health gain for the population through the best use of resources;
- Pioneer innovative ways of working to meet local health needs and reduce inequalities;
- Create an environment of service excellence and continuous improvement; and
- Be trusted at every level of engagement

As well as providing information on how we consult and engage with our stakeholders, alongside the procurement strategy, this annual procurement report is a key document in enabling informed engagement with our external or internal stakeholders, our strategic partners, suppliers and potential suppliers.

As detailed within our Procurement Strategy this report will focus on the NHS Orkney's corporate expenditure, which is £38.3 million.

This corporate spend is £7.3 million per annum but NHS Orkney is in the process of building a new hospital and an additional value of £31 million is included for the period of the report. This spend is included in the NHS Orkney contract register. The project will see the development of a £64m New Hospital and Healthcare Facilities for NHS Orkney to replace the existing Balfour Hospital in Kirkwall and was procured under a Non Profit Distributing (NPD) funding model.

## 2 Summary Against our Mandatory Requirements

### 2.1 Summary of Regulated Procurements

A regulated procurement is any contract procedure which is completed or where the award is published. This includes both contracts and framework agreements.

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

### 2.2 Summary of Procurements

The following tables summarise the regulated procurements in the period.

Internal Ref	Contract Description	Contract Activity	Award Date	Start Date	End Date	Value	Value Per Annum	Supplier Name
NP5012/06	NP5012/06 PACS	Call off from National Procurement Framework	11/04/2006	11/04/2006	31/03/2020	£84,550	£84,550	Carestream Health Uk Ltd
NP5024/14	NP5024/14 Scottish Wide Area Network	Call off from National Procurement Framework	01/04/2014	01/04/2014	14/02/2020	£2,100,000	£250,000	Capita
ORK01/18	Patient Transport Services from Aberdeen Airport to Aberdeen Hospitals	New	29/06/2018	03/09/2018	03/09/2021	£500,000	£83,260	Falcon Coach Hire Ltd
Laboratory Equipment	Equipment:Microscope Leica Proveo 8 Leica M320x2 As per quotation - NHS Supplychain framework	Call-Off - NHS Supply Chain Framework	11/12/2018	11/12/2018	11/12/2018	£144,000	£144,000	Novamed Ltd
IT Equipment	IT Equipment	Call Off - Crown Commercial Framework	18/09/2018	18/09/2018	18/09/2018	£113,449	£113,449	Probrand Ltd
Medical Equipment	YAG Laser LIGTLAS 532nm Frequency Doubled - Associated Equipment -	Call-Off - NHS Supply Chain Framework	03/10/2018	03/10/2018	03/10/2018	£78,500	£78,500	Litechnica Ltd
Medical Equipment	Mobile ICU Ventilator	Call off from National Procurement Framework NP173-15	26/09/2018	26/09/2018	26/09/2018	£59,426	£59,426	Eden Medical (Uk) Ltd

Within the period of this report NHS Orkney had 6 Call-Offs from Frameworks and one contract award over the regulated spend value.

Within the corporate spend value NHS Orkney ordered £383k of products from the National Distribution Centre, which is the central store for all NHS Scotland Acute Health Boards of which £251k (66%) was covered by an approved national contract. This spend was contained within 68 national framework contracts.

### 2.3 Collaborative Contracts

NHS Orkney awarded a collaborative contract in conjunction NHS Shetland for the provision of a patient transport service between Aberdeen Airport and hospitals within the Aberdeen area for non-emergency patients and their escorts from both Orkney and Shetland. The contracting process was undertaken by NHS Orkney with NHS Shetland calling off from this contract. The full value of the contract was £500,000 over 3 years with an annual spend of £86,000 for NHS Orkney for the first year of the contract.

## 2.4 Analysis of Non Competitive Actions

NHS Orkney has some areas of spend above the regulated spend level that are not covered by a regulated procurement process.

Laboratory Managed Service Contract - £2,468,000. Work was undertaken to conclude this contract in 2018-19 and the contract was signed on 25th April 2019 and will be included in Summary of Regulated Procurement in Annual Procurement Report 2019-20.

Specialised medical care £550,000 - NHS Orkney will review and establish if a sole source justification arrangement can be put in place for spend within this category. Public Contracts (Scotland) Regulations 2015 Sections offers some general exclusions and Specific Situations which may exclude certain types of spend.

Booking of Air Travel £542,000 – this contract had to be awarded within a short timeframe due to a business requirement to ensure continuity of Air Travel for patients who travel to mainland Scotland Heath Boards for medical care. This area of spend is included in the contract workplan to be awarded in November 2019.

## 2.5 Summary of Community Benefits

Within our Procurement Strategy we stated that NHS Orkney had a commitment to incorporate community benefits in order to improve the economic, environmental and social wellbeing of the Orkney Islands and we would use the recommended tools where appropriate;

- Scottish Public Procurement Prioritisation Tool;
- The Sustainability Test

Community benefits were realised with the period on the Award of the NHS Orkney New Hospital and Healthcare Facility Contract, mainly in the creation of new employment and training opportunities.

### Benefits Delivered with the Period

EMPLOYMENT AND SKILLS AREA – CONSTRUCTION PHASE	KPI	
	Target	Achieved
<b>Work Placements</b>		
Work placement in education (persons)	28	28
Work placement not in education (persons)		
<b>Curriculum Support Activities (number)</b>	12	36
<b>Graduate (persons)</b>	1	1
<b>Total Apprentices</b>		
New apprentices (persons)	16	25
Existing Apprentices (persons)		
<b>Jobs created on the project (persons)</b>	10	20
<b>Qualifying the workforce – Qualifications (persons)</b>	15	26
<b>Qualifying the workforce – short duration training</b>	9	9
<b>Training Plans</b>	100%	100%
<b>Considerate Constructors Score</b>	40/50	44/50
<b>SUPPLY CHAIN DEVELOPMENT</b>		
<b>Meet the Buyer (number)</b>	3	4
<b>Time Bank Offering (hours)</b>	30	49
<b>Quarterly reports (number)</b>	7	7

# Key Delivery Partners

Organisations		
CLAN Cancer Support	The Blide Trust	Stromness Academy
Connect	Orkney College UHI	VAO Orkney
Crossroads Orkney	Orkney Construction Training Group	Young Enterprise Scotland
Employability Orkney	Orkney Council Housing	Orkney Early years
Highlands and Islands Enterprise	Orkney Zero Waste	OHAC, Lifestyles Service
Jobcentre Plus	Shapinsay Development Trust	Men's Shed
Kirkwall Grammar	Skills Development Scotland	THAW Charity
Life Skills Centres Ltd	OACAS	THI Kirkwall

## 2.6 Supported Business Summary

Within the report period NHS Orkney Procurement let no contracts with a Supported Business. We are not aware of any supported business that can be utilised in Orkney but will review future regulated procurements and include wherever possible.

## 2.7 Future Regulated Procurement Summary

Below is a view of upcoming regulated procurements over the next 2 years NHS Orkney.

Contract Description	Contract Activity	Expected Award Date	Start Date	End Date	Total Contract Value	Value Per Annum	Supplier Name
Travel Services - Booking of Air Travel	New	10/01/2019	01/12/2019	30/11/2020	£1,700,000	£1,700,000	Loganair Limited
Managed Laboratory Service Contract	New	02/05/2019	02/05/2019	01/05/2024	£2,250,000	£550,000	Abbott Laboratories Ltd
Renal Dialysis Equipment	New	01/05/2019	01/05/2019	31/03/2020	£57,000	£57,000	Baxter Healthcare Ltd
Telecoms Infrastructure	New	01/04/2019	01/04/2019	31/03/2020	£100,000	£100,000	Bt Global Services
Computer Hardware Equipment and Installation Services	New	01/04/2019	01/04/2019	31/03/2020	£170,000	£170,000	Capita Business Services Ltd
Computer Hardware	New	10/04/2019	10/04/2019	31/03/2020	£120,000	£120,000	Hp Inc. Uk Limited
Endoscopes	New	01/04/2019	01/04/2019	31/03/2020	£640,000	£640,000	Olympus Keymed
Photocopying Equipment	New	01/04/2019	01/04/2019	31/03/2020	£65,000	£65,000	Ricoh Uk Limited
Dental Equipment	New	01/04/2019	01/04/2019	31/03/2020	£67,000	£67,000	Wright Cottrell
Digital Signage and AudioVisual Equipment	New	01/05/2019	01/05/2019	31/03/2020	£98,000	£98,000	FES Support Services
Catering Food Supplies	New	01/09/2019	01/09/2019	31/08/2023	£536,000	£134,000	J Wilson, Williamsons, Argos Bakery, JW Gray, Orkney Fisherman's Society
					£5,803,000		

### **3 Review of Regulated Procurement Compliance**

#### **3.1 Introduction**

This section demonstrates how NHS Orkney procurement has contributed to the achievement of our specific objectives and to the general duties in the Procurement Reform (Scotland) Act 2014. Section 3.3 discusses our performance against the mandatory elements of our strategy while section 4 details how we performed against our key performance measures.

#### **3.2 How we review our Regulated Procurements**

NHS Orkney Procurement observes the Procurement Journey methodology namely, Route 2 or Route 3, dependent on the relevant procurement relating to OJEU (Official Journal of the European Community). Route 2 procurements are contracts valued between £50,000 and the OJEU Threshold, which is currently £118,133. Route 3 procurements are for contracts valued over the OJEU Threshold.

Call off contracts are checked with the host organisation for compliance with regulations and policy before we enact these.

#### **3.3 Delivering against our Mandatory Obligations**

This section reviews our performance against the commitments stated in section 6 of our Procurement Strategy.

##### **Regulated and OJEU Procurements**

NHS Orkney is committed to ensuring all suitable opportunities are advertised to support businesses across Scotland in gaining access to our product and service requirements. As NHS Orkney will be advertising on and subsequently awarding on the PCS website the functionality of the site will automatically publish and maintain our contract register for public viewing.

##### **Delivery of value for money**

We committed to obtain value for money through best practice contracting and supplier management. Over the period we delivered £57,445 of savings from implementing call-offs from National Contracts.

##### **Sustainable Procurement**

Where applicable for tenders NHS Orkney will use the *Scottish Public Procurement Prioritisation Tool* to test for environmental, this is required in any local tendering and is applied on call offs from National Contracts.

We committed to ensuring our procurement activity was optimised to the Scottish model of procurement. We did this by utilising central framework agreements from our Procurement Centre of Expertise (CoE), NHS National Procurement and Scottish Government.

## **Engaging with Patients**

In order to open dialogue with our patient population NHS Orkney use the Patient Public Reference Group (PPRG) which meets quarterly. The PPRG is a network of local people with an interest in improving NHS services in Orkney. The NHS Orkney PPRG involves a range of people, including members of local community groups and voluntary organisations, and other interested individuals. This engagement involves the Procurement team presenting to the local population information about who we are, what we do, what benefits we bring to NHS Scotland in general and NHS Orkney in particular; from this introduction we elicit views and comments from the attendees on what is important to them in order to again focus Procurement on patient priorities. We will commit to attendance at this forum on an annual basis.

For appropriate national contracts NHS Orkney has the opportunity for representation on Commodity Action Panels where strategies and specifications for products and services are designed.

Patient feedback forms are provided for patients who use the Patient Transport Service.

## **Engaging with Suppliers**

Staff from the Hosted Procurement Team who support NHS Orkney have attended Procurex annual conference where suppliers exhibit but there is limited opportunity for NHS Orkney to meet mainland suppliers.

## **Food Procurement**

NHS Orkney have entered into a joint procurement with Orkney Islands Council. This will be awarded in 2019/20.

## **Scottish Living Wage**

NHS Orkney Procurement includes an opportunity within tenders for Supplier to respond if they meet the Scottish Living Wage.





## 4 Strategy Performance Review

### 4.1 Key Measures

Within our strategy our objectives were measured by six key performance measures. Our performance in this section will be reviewed against the targets agreed against this performance which is measured using monthly KPI reporting.

#### 4.1.1 NHS Orkney Strategic Objectives

In support of NHS Orkney's corporate strategy, the following strategic objectives have been agreed;

Objective	Objective Name	Target	Result
1	Recurring Procurement Savings	£50,000	£57,000
<p><b>Objective summary</b> - As detailed in the local delivery plan, NHS Orkney is required to make ongoing efficiency savings annually. Procurement savings will be delivered through the following means:</p> <ul style="list-style-type: none"> <li>❖ Playing our role in national contracting and delivering identified savings from these.</li> <li>❖ Work with local stakeholder to migrate to national contracts.</li> <li>❖ Identify any savings from local opportunities.</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>❖ Savings against national contract implementation. - £57,000</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>❖ Opportunity to review full spend in detail to identify further opportunities.</li> <li>❖ Potential to capture savings against equipment being purchased for new hospital build.</li> <li>❖ Review of Laboratory Service Agreement may identify savings.</li> </ul>			
2	PCIP Score - Procurement and Commercial Improvement Programme	65%	65%
<p><b>Objective summary</b> - PCIP is the means by which Procurement functions within individual public bodies can measure their effectiveness and capabilities in a standardised way. Based on best practice it can assure our stakeholders that the proper governance and procedures are in place. The actual PCIP review is due to be undertaken again by June 2020 which will provide full validation of progress.</p> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>❖ Full analysis and categorisation of spend.</li> <li>❖ Additional governance by obtaining additional support from NHS Scotland Centre of expertise team for strategic and operational support and advice.</li> <li>❖ Introduced key performance measure dashboard.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>❖ Staff development, develop sustainability and environmental measures.</li> <li>❖ Develop Supplier risk matrix.</li> </ul>			

Objective	Objective Name	Target	Result
3	Trade supplier spend on managed contracts	50%	55%
<p><b>Objective summary:</b> Measure to calculate how much of the regulated procurement spend is held on the NHS Orkney Contract Register.</p> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>❖ Monthly review to identify any national contracts to be added to contract register and identify opportunities for new contract areas.</li> <li>❖ All local contracts with spend within regulated procurement levels added.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>❖ Require to further develop processes to ensure all single purchases over regulated value can be added to contract register.</li> <li>❖ There are two key areas of spend that are contained within the 2019/20 contract review work plan which will increase improve the performance on this measure (£400,000– Laboratory Service, £1,200,000 – Patient Travel Booking).</li> </ul>			
4	Suppliers on Supplier Management Programme	2	2
<p><b>Objective summary:</b> Engage with key suppliers to measure performance through a set of Key Performance Measures (KPIs) to ensure compliance with contract performance.</p> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>❖ Supplier management is measure for contracts awarded 2018/19. (Patient Transport and Laboratory Samples)</li> <li>❖ Ensured any new contract awarded has agreed and measureable KPIs.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>❖ Develop supplier risk matrix to identify any contracts where performance measure would improve efficiency or deliver potential benefit.</li> </ul>			
5	Spend with associated Purchase Order	60%	75%
<p><b>Objective summary:</b> To ensure all appropriate spend is raised against a purchase order to provide assurance and evidence that organisational procedures have been adhered to and spend is more easily identifiable.</p> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>❖ Over the last 2 years we have migrated 50 departments from ordering using a manual purchase order process to ordering via a catalogued electronic procurement system making it easier to benchmark costs and identify product and services.</li> <li>❖ Only large area of spend not using purchase orders is Air Travel, where NHS Orkney use an online booking system.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>❖ There are a few areas within NHS Orkney that still have to be migrated from the manual ordering process.</li> <li>❖ Review full supplier spend profile to identify potential areas where Purchase Orders are not used and set targets to reduce.</li> </ul>			

Objective	Objective Name	Target	Result
6	Transactions through Catalogues	90%	97%
<p><b>Objective summary:</b> Develop product and service catalogues for departments to order from to provide benefits through order efficiency, speed and accuracy not just for NHS Orkney but the procurement community.</p> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>❖ Uploaded 712 catalogue requests with updated information.</li> <li>❖ 27,500 lines of Products and Services purchased through catalogues</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>❖ Continue to support the migration of remaining departments to a fully catalogued solution.</li> <li>❖ Migrate NHS Orkney to the national eProcurement systems which are being upgraded in 2019/20. (Ordering and cataloging systems)</li> </ul>			

#### 4.2 Invoice payment performance

This is an area of major importance within the Procurement and Finance communities, with payment times measured and reviewed on a monthly basis. The table below details our performance against the 30 day target and the aspirational 10 day target across the full 2018/19 financial year and a comparison against 2017-18.

Invoice Payment Performance	Target	Result 2018-19	Result 2017/18
Invoice Payment Days (<10days)	75%	<b>89%</b>	91%
Invoice Payment Days (<30days)	90%	<b>96%</b>	97%

## **5 Other Items of Note**

### **5.1 Procurement Structure**


NHS Orkney has local Procurement staff based in Kirkwall and are supported by the Commercial Team employed by National Service Scotland and based in central Scotland who support and deliver some elements of the activities with the Procurement Strategy and offer strategic and operational assistance. This relationship is managed by a Service Level Agreement updated annually.

The key shared responsibilities are detailed below:

- Review / Establish / Maintain local standard Procurement procedures.
- Agree / Establish procurement objectives.
- Propose savings targets and KPIs to track performance and monitor performance.
- Participate and contribute to delivery of procurement objectives in compliance with Customer's governance and audit protocols.
- Engagement with key stakeholders to develop commodity strategies and maximise savings delivery through National and Local Contracts.
- Manage contract implementations to maximise savings delivery.
- Use of mandated systems (PCS and PCS-Tender) in the contract tendering process.

## **6 Report ownership & contact details**

In line with the Reform Act and to ensure our Annual Procurement report details our performance against strategy, this report will be subject to formal annual review and approval by the NHS Orkney Procurement Steering Group.



**Report Owner: Graham Stewart**  
**Designation: Programme Manager**  
**Email: [graham.stewart3@nhs.net](mailto:graham.stewart3@nhs.net)**  
**Telephone: 01698 794479**

## 7 Glossary

Term	Definition
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.
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 NHS Orkney. They are designed to ensure that financial transactions are carried out in accordance with the law and government policy in order to achieve probity & accuracy.
<b>Official Journal of the European Union</b>	This is the publication in which all tenders from the public sector which are valued above a certain financial threshold according to EU legislation, must be published.
<b>The Sustainable Public Procurement Prioritisation Tool</b>	A tool to aid all procuring organisations across the Scottish Public Sector, it has been designed to bring a standard structured approach to the assessment of spend categories <a href="https://www2.gov.scot/About/Performance/scotPerforms/partnerstories/SustainablePublicProcurementPrioritisationTool">https://www2.gov.scot/About/Performance/scotPerforms/partnerstories/SustainablePublicProcurementPrioritisationTool</a>

## 8 Annual Procurement Report template

The following table has been populated in line with Scottish Procurement policy advice SPPN 4/2019

<b>1. Organisation and report details</b>	
a) Contracting Authority Name	NHS Orkney
b) Period of the annual procurement report	Apr 18 - Mar 19
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
<b>2. Summary of Regulated Procurements Completed</b>	
a) Total number of regulated contracts awarded within the report period	6
b) Total value of regulated contracts awarded within the report period	£3,079,976
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	6
i) how many of these unique suppliers are SMEs	1
ii) how many of these unique suppliers how many are Third sector bodies	0
<b>3. Review of Regulated Procurements Compliance</b>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	6
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
<b>Use of Community Benefit Requirements in Procurement:</b>	
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 a Community Benefit Requirements	0
<b>Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:</b>	
d) Number of Jobs Filled by Priority Groups ( <i>Each contracting authority sets its own priority groups</i> )	20
e) Number of Apprenticeships Filled by Priority Groups	25
f) Number of Work Placements for Priority Groups	28
g) Number of Qualifications Achieved Through Training by Priority Groups	35
h) Total Value of contracts sub-contracted to SMEs	unknown
i) Total Value of contracts sub-contracted to Social Enterprises	unknown
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	see section 2.5



<b>5. Fair Work and the real Living Wage</b>	
a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	0
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.	0
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
<b>6. Payment performance</b>	
a) Number of valid invoices received during the reporting period.	10,131
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)	96.41%
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
<b>7. Supported Businesses Summary</b>	
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:	0
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	0
<b>8. Spend and Savings Summary</b>	
a) Total procurement spend for the period covered by the annual procurement report.	£7,329,000
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£1,348,000
c) Total procurement spend with Third sector bodies during the period covered by the report.	£83,000
d) Percentage of total procurement spend through collaborative contracts.	55%
e) Total targeted cash savings for the period covered by the annual procurement report	£50,000
i) targeted cash savings for Cat A contracts	£0
ii) targeted cash savings for Cat B contracts	£50,000
iii) targeted cash savings for Cat C contracts	£0
f) Total delivered cash savings for the period covered by the annual procurement report	£57,000
i) delivered cash savings for Cat A contracts	£0
ii) delivered cash savings for Cat B contracts	£57,000
iii) delivered cash savings for Cat C contracts	£0
g) Total non-cash savings value for the period covered by the annual procurement report	0
<b>9. Future regulated procurements</b>	
a) Total number of regulated procurements expected to commence in the next two financial years	11
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£5,803,000

**DOCUMENT CONTROL SHEET:**

Key Information:

Title:	NHS Orkney Scotland Annual Procurement Report
Date Published/Issued:	04/10/2019
Date Effective From:	25/09/2019
Version/Issue Number:	1
Document Type:	Report
Document Status:	Final
Author:	G. Stewart, S.Muir
Owner:	NHS Orkney Head of Finance
Approver:	NHS Orkney Procurement Steering Group
Approved by:	NHS Orkney Procurement Steering Group
Contact:	Graham.stewart3@nhs.net

Revision History:

Version:	Date:	Summary of Changes:	Name:
V1	01/08/19	Initial Version	Graham Stewart
V2	04/09/19	Updated with request to review wording on several section and add additional comments and information	Mark Doyle
V3	11/09/19	Updated response to NHS Orkney V2	Graham Stewart
Final	11/09/19	NHS Orkney approved all updates to V3. Checked and formatted	Graham Stewart

**Approvals:** This document requires the following signed approvals.

NHS Orkney Procurement Steering Group

**Distribution:** Published on NHS Orkney website on 4th October 2019