



Procurement Strategy 2024/25 – 2026/27

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Executive Summary

The provision of high quality local health services relies to a great extent upon NHS Dumfries and Dumfries's ability to procure its goods and services economically, effectively and efficiently. As a public sector body, it is also important that NHS Dumfries and Galloway does this in a way that is fair and sustainable.

The aim of this strategy is to secure Best Value through planned and sustainable procurement which best meets the needs of the organisation and supports key objectives. This strategy covers all areas of NHS Dumfries and Galloway's purchasing activity, including construction, IT and pharmacy as well as other consumables, equipment, and services.

This strategy aims to demonstrate a clear and concise approach to NHS Dumfries and Galloway's procurement activities outlining what will be done, how and when it will be achieved.

This report is prepared by the Director of Finance on behalf of the Board, reviewed and supported by Board Management Team and monitored through the Board's Performance and Resources Committee over the 3 year time frame and is subject to annual review. This strategy will shape the Board's procedures and operational controls in accordance with NHS Dumfries and Galloway's Standing Financial Instructions (SFIs).

Vision and Strategic Context

Vision

Our vision is to ensure that we procure goods, services, and works within a clear framework of accountability and responsibility and by the most economic, efficient, effective and sustainable means to ensure that the needs of NHS Dumfries and Galloway and its patients are met.

Strategic Context

This Procurement Strategy is set in the context of NHS Dumfries and Galloway's Corporate Objectives which are as follows (it is recognised that these are under review by the Board):

1. To reduce health inequalities across NHS Dumfries and Galloway.
2. To promote and embed continuous quality improvement by connecting the range of quality and safety activities which underpin delivery of the three ambitions of the Healthcare Quality Strategy, to deliver a high quality service across NHS Dumfries and Galloway.
3. To review the model of service delivery across Dumfries and Galloway to deliver person-centred services as close to home as clinically appropriate.
4. To ensure that NHS Dumfries and Galloway has an engaged and motivated workforce that is supported and valued in order to deliver high quality service and achieve excellence for the population of Dumfries and Galloway.
5. To maximise the benefit of the financial allocation by delivering clinically and cost effective services efficiently.
6. Continue to support and develop partnership working to improve outcomes for the people of Dumfries and Galloway.
7. To meet and where possible, exceed goals and targets set by the Scottish Government Health Directorate for NHS Scotland, whilst delivering the measurable targets in the Single Outcome Agreement.

An NHS Scotland (NHSS) Procurement Strategic Group has been established to oversee the delivery of a consistent procurement service to NHSS and champion best practice improvements. The Procurement Manager represents the West of Scotland Boards on this group and will play a full role to ensure outcomes support Dumfries and Galloway and the West of Scotland's key objectives.

This strategy builds on the previous version and continues to ensure NHS Dumfries and Galloway's procurement service aligns with local and national strategies, ensuring the procurement service delivers the highest level of service to end users whilst delivering best value goods and services.

Key Priorities

NHS Dumfries and Galloway's Key Priorities in relation to procurement can be summarised as follows:

A. To provide continuity of supply

To provide goods and services where needed, when needed and are fit for purpose.

B. To deliver efficiency savings and financial benefits

Through effective procurement activity, to generate both cash and non-cash savings, to reduce the Board's financial deficit as part of the Financial Recovery Programme.

C. To maintain effective governance

To keep the service and accountable officer compliant in all relevant areas and maintain corporate and individual reputation by ensuring that all procurement activity complies with statutory and regulatory requirements.

D. To encourage and stimulate economic development

To support general health and wellbeing in relation to public money expended by ensuring, where appropriate, that relevant contracts include community benefits and sustainable procurement requirements and, wherever practical, that we encourage local suppliers, micro, small and medium enterprises, supported businesses and the third sector.

E. To support delivery of Net Zero Targets

To embed environmental and sustainability criteria and reporting within contracts, to reduce carbon emissions and environmental impacts, support community wealth building, and help achieve the Scottish Government's Net Zero targets.

F. To support improvements in quality

To ensure that goods and services are provided to the required levels of quality to deliver safe and excellent services.

Governance, Accountability and Auditability

The **Director of Finance** shall be NHS Dumfries and Galloway's level sponsor for procurement. The Director of Finance shall:

- Ensure good procurement practice is followed in all business cases and strategic decisions.
- Ensure good practice is in place throughout the organisation.
- Escalate operational issues to director level as appropriate.

The **Audit and Risk Committee** shall be:

- Responsible for ensuring procurement activities are appropriately included within the risk based Internal Audit Plan.
- Responsible for seeking assurance, through follow up of audit reports and best value assessments and ensuring that risks are being managed, and the best value attributes pursued. Reporting on procurement activity should be in line with the SFIs.

The **Performance and Resources Committee** shall be:

- Responsible for reviewing Annual Procurement reports and receiving updates on implementation of the strategy.

Financial Governance

Financial governance and control will be upheld in procurement processes across the organisation and within the finance function itself. This will include providing advice and guidance to staff and managers in the interpretation and application of the SFIs, providing financial governance training to all approving staff, conducting spot checks to measure compliance, in addition to ensuring all avenues of efficiency are explored and reported upon.

Information Governance/Information Security

Information Governance is a framework for ensuring the appropriate use of personal information, including (but not limited to) patient/staff/client/service user information, and sensitive organisational information.

Information Security examines the safeguarding provisions which protect the confidentiality, integrity and availability of all forms of information within NHS Scotland to prevent loss, the data becoming compromised or unauthorised disclosure.

It is a legal requirement for organisations to comply with:

- UK Data Protection Act 2018 (DPA 2018)
- General Data Protection Regulation (GDPR)
- Network and Information Systems Directive (NISD). For NHS Scotland this is the Scottish Government's Cyber Resilience Framework (CRF)

All procurement of systems and services must obtain assurances in respect of Information Governance and Information Security at the point of tender/procurement and prior to purchase and implementation.

Procurement Board Leads

Directors and General Managers within NHS Dumfries and Galloway manage specific procurement remits and are accountable for the delivery of the strategic objectives. Areas of specific responsibility delegated are:

Board Lead	Operational Lead	Delegated Area of Responsibility
Chief Pharmacist	Lead Pharmacist Acute and Diagnostics	All medicines and some medical devices as agreed locally
General Manager – Facilities and Clinical Support Services	Head of Estates and Property	All major, minor building projects and repair projects
General Manager – Facilities and Clinical Support Services	Area Catering Manager	All food supplies and catering associated equipment
General Manager – Facilities and Clinical Support Services	IT Delivery Manager	All IT projects, software, hardware and desktop
Director of Finance	Procurement Manager	All other 'in-scope' non-pay expenditure

All staff are required to comply with the SFIs which set out the rules around the purchase of supplies and services which includes reference to the Scottish Government Department of Health and Finance Chief Executive Letter (CEL)(2012) 05 Key Procurement Principles: http://www.sehd.scot.nhs.uk/mels/CEL2012_05.pdf. All Procurement Board Leads are responsible for ensuring compliance with the CEL for their specific area.

This CEL states that:

“Where national, regional or local contracts exist (including framework arrangements) the overriding principle is that use of these contracts is mandatory. Only in exceptional circumstances and only with the authority of NHS Dumfries & Galloway's lead Procurement Manager or the Director of Finance, based on existing schemes of delegation, shall goods or services be ordered out-with such contracts. Procurement leads will work with National Procurement and other national contracting organisations to ensure best value decisions are made, and that a record of exceptions is maintained for review.”

In circumstances where there is no contract or framework coverage, the following applies:

- For expenditure in excess of £10,000 but below £50,000 over the contract duration, competitive quotations will be sought using the Public Contracts Scotland Quick Quote system. In certain circumstances, the threshold will be reduced to below £10,000 to ensure best value is achieved. The process will be carried out 100% electronically.
- For expenditure in excess of £50,000 up to the Find a Tender (FTS) threshold over the contract duration, these requirements will be openly tendered in accordance with the Procurement Reform (Scotland) Act 2014 via the Public Contracts Scotland advertising portal. The process will be carried out 100% electronically.

- For expenditure in excess of £138,760 (inc VAT) for goods and services (Works-£5,336,937/Health and Social Care £663,540) over the contract duration, these requirements will be openly tendered in accordance with the Public Contracts (Scotland) Regulations 2015 via the Public Contracts Scotland advertising portal. The process will be carried out 100% electronically.

A schedule of delegated responsibilities is maintained showing where other heads of function have significant delegated procurement responsibilities for a defined specialised area. They will continue to operate within general guidelines and seek at an early stage the involvement of the Procurement Department as appropriate.

All managers will be governed by the Code of Corporate Governance which will apply to dealing with any potential suppliers. NHS Dumfries and Galloway maintains a Register of Members Interests and a Register of Gifts and Hospitality and through its policies and actions ensure compliance with the Bribery Act 2010.

Product Review Group

The NHS Dumfries and Galloway Product Review Group shall:

- Provide a recognised means of consultation between NHS Management Teams and staff on all clinical goods and services matters.
- Promote understanding and co-operation on procurement matters.
- Give staff and managers a wide interest in and greater responsibility for the clinical goods and services used across the Board and the processes involved to make those decisions.
- Give staff and managers the opportunity to influence decisions in matters of clinical goods and services selection and implementation within the workplace.
- Bring procurement, clinical leads and specialists together to ensure the most suitable and economical outcomes are considered, discussed and implemented across NHS Dumfries and Galloway.
- Discuss national objectives eg. rationalisation of product selection, automatic substitute products for when supply issues occur.
- Supply local nominees for national Commodity Advisory Panels (CAP) when requested to support the nominees through this process and work together to implement any changes that may come from this work.

Engagement

Engaging with service users

The Procurement Team works closely with service users to develop procurement documents which capture the needs and requirements of NHS Dumfries and Galloway, its patients and staff. Through such joint working we support our service users by procuring contracts which:

- Ensure products, works and services procured are fit for purpose and meet patient needs.
- Blend the knowledge of expert and operational staff with our commercial and procurement acumen.
- Appropriately balance quality and price/cost considerations.
- Give due consideration to NHS Dumfries and Galloway sustainability and equality duties.
- Consider opportunities to reserve contracts for Supported Businesses as well as ensuring Fair Work principles are applied to all employees providing goods and services to NHS Dumfries and Galloway.

Engaging with suppliers

NHS Dumfries and Galloway relies on its suppliers to help the Board provide effective patient care, and through our procurement activity we are in regular dialogue with our supply base to ensure goods, works and services are supplied in line with expectations.

In addition, NHS Dumfries and Galloway also engage with the healthcare and wider supply chains through 'Meet the Buyer' events and attendance at events such as Procurex & Procurement 4 Health (P4H).

In the development of methodologies and strategies for Regulated Procurements, and where beneficial, we will also undertake specific market engagement to consult suppliers on our proposed procurement approach and invite feedback to inform procurement decisions taken by NHS Dumfries and Galloway.

In undertaking Regulated Procurement activities, we are committed to reducing the administrative burden placed on suppliers when participating in procurement processes. We do this by adopting entirely electronic tender advertising and submission methods using the Public Contracts Scotland website.

National Distribution Service

In line with the National Logistics Strategy for NHSS, NHS Dumfries and Galloway has fully adopted the National Logistics Services via the NSS National Procurement (NP) National Distribution Service (NDS). During the Covid-19 pandemic, this has expanded to provision from three large warehouses. NDS (and the associated network of warehouses) provide approximately £4m of products each year to NHS Dumfries and Galloway.

The NDS service costs are top-sliced from NHSS Boards. This has been agreed to ensure all Health Boards contribute proportionally to the service and those under using the service do not allow the burden of costs to fall on those adhering to this national strategy.

NDS despatch daily on a Monday-Friday basis to the main Acute Hospital sites across NHS Dumfries and Galloway usually via a 'silent' delivery service conveyed to sites during the night.

Key Performance Indicators

The following set of Key Performance Indicators (KPIs) have been developed to target improvement against the Key Priorities:

Target	Corporate Objectives	Key Priority	Performance (2022-23)	Target Performance (2025-26)
Proportion of Trade Spend with suppliers based in NHS Dumfries and Galloway area	6	D	6.9%	8%
Number of local suppliers within the Trade Spend	6	D	94	
Number of locally run Regulated Procurements	1/2/3/4/5/6/7	A/B/C/D	6	N/A
Number of awards to local suppliers	6	D	3	
Number of local contracts where the awarded supplier is committed to paying the real living wage	6	D	4	
Number of Small and Medium Sized Enterprises (SMEs)	1/7	D	4	
Payment Performance				
- 30 Day Target (volume/value)	5/7	C/D	95%/95%	95%
- 10 Day Target (volume/value)	5/7	C/D	87%/84%	90%
Percentage of trade spend captured electronically through purchase-to-pay systems (by volume)*	7	C	63%	100%
Percentage of catalogued PECOS orders	5	C	93%	95%

* In developing the No Purchase Order, No Payment strategy, a number of areas have been made exempt for operational reasons. The 100% target therefore only applies to non-exempt areas.

As it would be very difficult to measure Key Priority A with a single KPI, performance in terms of continuity and security of supply is largely dependent on the supply of critical medical and surgical consumable products from the NHS Scotland National Distribution Services (NDS).

The Boards Service Level Agreement with NDS is governed by a suite of KPIs which is monitored closely between NDS Management and NHS Dumfries and Galloway logistics department and any supply issues are dealt with through this mechanism and escalated as appropriate.

Any savings and cost avoidance measures will be captured as part of overall financial recovery plan work and at this stage is quantified as a specific target in the strategy.

The KPIs require further review to assess how they can align with the work of our Climate Emergency and Sustainability Programme Board measures and support the delivery of the programme of work on Net Zero within NHS Dumfries and Galloway.

Trade Spend by Geography and Supplier Size

Of the £55.5m trade spend for 2022/23, the breakdown of spend by location as follows:

Region	Aggregate Spend 2022/23	Percentage
Dumfries and Galloway	£3.8m	6.9%
Scotland excl. Dumfries and Galloway	£7.3m	13.1%
Rest of UK	£44.4m	80%
Outwith UK	£44.8k	<1%
Grand Total	£49,602,584	

There is a trade-off between our key priorities of providing value to the bottom line and stimulation of economic development. However, our target will be to increase the proportion of trade spend within the geographical boundary of NHS Dumfries and Galloway to 8% by the end of 2026.

Financial Savings

NHS Dumfries and Galloway has been set a target to deliver a recurring savings target of at least 3%, with this increased in 2024/25 as part of Financial Recovery Programme work which is ongoing. The procurement of goods and services is included within this. Savings plans will be taken forward by influencing our trade spend in the following ways:

- Implementation of and adherence to national contracts to maximise the projected savings potential.
- Local Strategic Sourcing activity within areas of spend not covered by National Contracts.
- Avoiding costs by challenging spend from non-contracted to contracted suppliers.

This is set against a backdrop of increasing demand within NHS Dumfries and Galloway and across NHS Scotland as a whole. This translates into an increase in activity and, therefore, medical/surgical consumable spend in particular.

Our targets in this area will be to maximise savings opportunities identified and to support the operational directorates in the delivery of the Board's savings plans as set out in the Board's Financial Recovery Programme. This includes a range of general procurement measures, and to ensure that at least 90% of trade spend is covered by contract and has, therefore, been influenced. All savings are currently under review through the Financial Recovery Programme to expand options for savings wherever possible, with a separate target set for savings to be delivered through Medicines procurement and Estates and Digital efficiencies.

People and Skills

Our approach to training and development can be summarised as follows:

Service Users

- The strategic objective is to ensure that all staff using procurement services are given relevant training and information relating to their role in delivering that service.
- All system authorisers require to undergo financial governance training as well as end user training before being given access.

Procurement Staff

- NHS Dumfries and Galloway will ensure that Procurement staff can perform to their full potential and ensure activity undertaken is compliant with the most current regulation and governance, formal and informal training will be encouraged and supported.
- We will develop and maintain a succession planning for existing staff development during the period of this strategy.
- We will provide opportunity and support to any staff wishing to enhance their knowledge and skills via procurement related educational opportunities.
- All staff have a Personal Development Plan and annual review as part of the Turas process in NHS Scotland and regular one to one meetings with line managers to escalate any issues.
- The Procurement Team are part of the wider Finance Team and are involved in development and other department team building and improvement sessions.
- There is a commitment to improving the level of professionally qualified staff.

Organisational Improvements

Over the lifetime of this strategy, organisational improvements we intend to pursue are:

- Improvement in contract coverage and sourcing activity within our Estates and Property Directorate and our eHealth Information Management and Technology (IM&T) Department to support our Key Priorities B (provide value to the bottom line) and C (maintaining effective governance).
- Continuation of a 'No Purchase Order, No Payment' policy (with defined exclusions) with a target of 100% compliance to improve governance in this area to support our Key Priority C (maintaining effective governance).
- Improving procurement guidance communicated to the organisation through more innovative means to make this guidance more accessible and meaningful to support our Key Priority C (maintaining effective governance).
- Social and sustainability issues will be taken into account at the earliest stage in the procurement process when identifying needs and drawing up tender specifications. Essential requirements will be defined to minimise resource consumption - reduce, reuse and recycle.
- We will continue to use 100% electronic methods of tendering and conducting competitive quotations and mini-competition exercises to ensure continued equal treatment of suppliers and full transparency. To support this, we have also made our contracts register available to view via the Public Contracts Scotland portal.

Anchor Organisations

As part of our Strategic Anchor Plan, we agreed to undertake benchmarking of our procurement processes against the Public Health Scotland - Harnessing the power of anchor institutions: a progression framework for Scottish Organisations; this was undertaken in February 2024. Following this, we will identify priority areas for action to develop our anchor status in relation to procurement within the limitations experienced by a small rural Health Board. We will work with National Services Scotland and continue to learn from other NHS Boards in relation to this area of work and will review our progress against the framework on a periodic basis for the duration of this strategy to continue to make improvements.

Monitoring, Review and Reporting

Annual Report

An Annual Report will be presented to NHS Dumfries and Galloway's Performance and Resources Committee as part of NHS Dumfries and Galloway's duty to publish a Procurement Annual Report. This will provide a mechanism to monitor that this Procurement Strategy is being implemented effectively. The report will be published in the first or second quarter of the following financial year in line with statutory guidance, and include as a minimum:

- A summary of the Regulated Procurements that have been completed during the year covered by the report.
- A review of whether those procurements complied with this Procurement Strategy.
- To the extent that any Regulated Procurements did not comply with the Procurement Reform Act, reasons for this and a statement of how NHS Dumfries and Galloway intends to ensure that future Regulated Procurements do comply.
- A summary of any community benefit requirements imposed as part of a Regulated Procurement that were fulfilled during the financial year covered by the report.
- A summary of any steps taken to facilitate the involvement of Supported Businesses in Regulated Procurements during the year covered by the report.
- A summary of the Regulated Procurements NHS Dumfries and Galloway expects to commence in the next two financial years.
- A statement of performance against the KPIs identified in this Procurement Strategy.
- An update on how we have used procurement to contribute to the global climate emergency.
- Report on how procurement policies and procurement activity has contributed to compliance with climate change duties in their [Public Bodies Climate Change Duty Report](#).

A copy of our latest Annual Report for 2022/23 has been included in the useful links section of this strategy at page 21.

Contract Register

NHS Dumfries and Galloway will ensure that the requirements of the Procurement Reform Act 2014 to publish and maintain a public facing contracts register is applied. The Board will utilise the functionality available on the Public Contracts Scotland website and commit to publishing this information.

Sustainable Procurement: People and Planet

In undertaking our Regulated Procurement activity, a strong emphasis is placed on sustainability in line with NHS Scotland Directors Letter (DL) (2021) 38. Our approach to fulfilling our sustainable procurement duty during the period covered by this strategy is described thematically below.

Environmental Impact and Climate Change Mitigation

Reducing environmental impacts and mitigating the effects of climate change are key priorities for NHS Dumfries and Galloway and the Scottish public sector as a whole. Procurement has a part to play in achieving improvements and the measures that will be implemented as part of this strategy are:

- Inclusion of scored award criteria related to the environment and climate change in all Regulated Procurements, with weightings that are reasonable and proportionate to the subject and magnitude of the procurement.
- Encouraging the reduction and elimination of excess packaging and single use plastics as part of our specifications for goods, works and services.
- Utilising lifecycle costing tools and methodologies in the evaluation of tenders to consider costs related to the acquisition, operation and disposal of goods.
- Embedding environmental standards such as ISO14001 within our mandatory requirements for participation in Regulated Procurement processes.
- Focus on developing our Procurement Team through continued dissemination of knowledge and skills, and to maintain and grow our use of the Scottish Government's Sustainable Procurement Tools.
- Participation in national initiatives and forums to support collaborative action on environmental and climate change issues.
- Review, where practicable within departmental resource constraints, NHS Dumfries and Galloway's supply chain to determine the extent of the associated greenhouse gas emissions and social and environmental impacts.

Public procurement is expected to contribute to our [climate change targets](#), in compliance with the [sustainable procurement duty](#). Public bodies are required to:

- Set out in their Annual Procurement Strategy how they will use procurement to contribute to the global climate emergency.
- Report progress in their Annual Procurement Report.
- Report on how their procurement policies and procurement activity has contributed to compliance with climate change duties in their [Public Bodies Climate Change Duty Report](#).

The Single Procurement Document (Scotland) (SPD) is a standard questionnaire that potential bidders complete which allows public bodies to identify suitably qualified and experienced bidders.

Standardised statements for SPD question 4C7 allow procurement officers to ask bidders to provide evidence of capability to address the climate emergency in the form of a Bidder Climate Change Plan Template at the selection stage of a procurement exercise

Food Procurement

Much of NHS Dumfries and Galloway's food requirements are procured via framework agreements awarded by NHS National Services Scotland on behalf of Scotland's Health Boards. As with these national arrangements, NHS Dumfries and Galloway's approach when procuring food shall involve:

- Encouraging the involvement of local suppliers in procurement processes to reduce 'food miles' and support local development.
- Requesting full supply chain traceability, assessed through the procurement process and being a condition of contract.
- Mandating compliance with the appropriate food regulations as a minimum.
- Incorporating healthy eating criteria including Food, Fluid and Nutritional care standards; Food in Hospitals; and the Retail Standard.
- Ensuring these standards, alongside environmental and animal welfare safeguards, are implemented and monitored throughout the supply chain.
- Requiring regular reporting from food suppliers to ensure quality standards are being maintained.

Supported Businesses

There are a number of Supported Businesses operating within Scotland and by procuring goods and/or services from these businesses, NHS Dumfries and Galloway can contribute to tackling health inequalities, reducing deprivation, and promote other Public Health objectives. During the period covered by this strategy, NHS Dumfries and Galloway will pursue the following initiatives linked to Supported Businesses:

- Utilise the right, where appropriate and practicable, to reserve participation in Regulated Procurements to Supported Businesses only.
- Committing to use the Scottish Procurement Supported Business framework where NHS Dumfries and Galloway's requirements can be met.

Supporting Local Business

A key role of NHS Dumfries and Galloway as an anchor institution is to promote community wealth building and economic development through support for local small and medium sized enterprises (SMEs). There are a number of ways in which NHS Dumfries and Galloway will pursue this agenda through our procurement processes during the period covered by this strategy:

- For our lower value procurement processes, we will ensure, where possible, that at least half of the suppliers invited to quote are based in the Dumfries and Galloway area.

- Analyse and report annually on the percentage of NHS Dumfries and Galloway's expenditure that is with Dumfries and Galloway based companies and organisations; benchmark this against similar public bodies.
- Attend 'Meet the Buyer' events to raise visibility of NHS Dumfries and Galloway Procurement with the local supply base.
- Review and streamline all of our procurement processes to ensure these are not unduly onerous such that they may deter SME participation.
- With each competitive quotation and tender, collaboration with the Local Authority is considered.

Community Benefits

Community Benefits are defined as relating to training and recruitment, availability of subcontracting opportunities, or other requirements intended to improve the economic, social or environmental wellbeing of the authority's area. Current procurement legislation requires that public bodies include a Community Benefits clause within all contracts with a value of £4 million or more. In addition to this legal duty, NHS Dumfries and Galloway will:

- Include, where proportionate to the subject of the contract, scored Community Benefits criteria in all Regulated Procurements.
- Work with Local Authorities and other public bodies to target Community Benefits in areas of greatest need and priority.
- Utilise Public Health Scotland's Community Benefits Gateway portal to signpost suppliers to opportunities to support community initiatives in the Dumfries and Galloway area.

Fair and Ethical Trade

NHS Dumfries and Galloway will ensure that goods, services and works are procured ethically from sources which meet the ethical standards expected. When developing procurement strategies and methodologies, NHS Dumfries and Galloway will consider how it can ensure fair and ethical trade by tackling inequalities, eliminating criminal involvement in the supply chains, improving labour standards, and sourcing fair trade products.

Modern Slavery

Modern slavery is a prolific and widespread global problem which NHS Dumfries and Galloway is committed to reducing and eliminating from its supply chain. In addition to our commitment to the publication of a Modern Slavery Statement during the period covered by this strategy, we will continue to take specific measures to reduce the risk of modern slavery in our supply chains. These measures include:

- Application of exclusion criteria to eliminate, where appropriate, bidders who have prior convictions or where other grounds for exclusion exist.
- Requiring bidders within industries identified as susceptible to Serious Organised Crime (SOC) to complete Declarations of Non-Involvement in SOC as part of the procurement process.

- Liaising with Police Scotland to request criminal conviction checks on directors and persons with significant control where the contract has been identified as at risk of SOC involvement.

Equality and Diversity

NHS Dumfries and Galloway is committed to the three aims of the Equality Act (2010) General Equality Duty (relating to the 9 protected characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, sexual orientation) which are as follows:

- To eliminate discrimination, harassment, victimisation or any other prohibited conduct.
- To advance equality of opportunity between those who share a protected characteristic and those who do not.
- To foster good relations between those who share a protected characteristic and those who do not.

Fair Work First and Scottish Real Living Wage

NHS Dumfries and Galloway is committed to promoting the Scottish Government's Fair Work First principles in all of its procurement activity. Specific measures that will be taken during the period covered by this strategy are:

- Inclusion of scored Fair Work criteria in all Regulated Procurement activity, with a weighting reasonable and proportionate to the contract type and magnitude.
- Encouraging tier one contractors and suppliers to pay the Scottish Real Living Wage to their subcontractors and so on down through the supply chain.

EU Exit

With the UK having left the EU, minor amendments were made to the Public Contracts (Scotland) Regulations to reference domestic instead of EU legislation. Procurements under these regulations are no longer advertised EU wide under the Official Journal of the European Union (OJEU) but rather within the UK only via the UK Government Find a Tender service (which receives a feed from the Public Contracts Scotland portal).

Except for these changes, regulated procurement activity remains much the same, however, the UK Government is consulting on changes to Procurement Regulations which includes consultation with devolved administrations as Procurement legislation is now devolved to the Scottish Government under post-EU Exit arrangements. Any proposed changes to procurement legislation will be monitored and implemented as accordingly.

Prompt Payment

The prompt payment of contractors and sub-contractors is recognised as an important factor in promoting ethical business standards, economic development, and reducing the risk of supplier insolvency.

NHS Dumfries and Galloway has a 10-day target for the payment of all invoices and a 30-day payment period within its standard terms and conditions of contract. Through its procurement processes, NHS Dumfries and Galloway will also require and encourage its tier one contractors and suppliers to pay their supply chain within 30 days. In particular, the following measures will be taken:

- Inclusion of specific contractual provisions in all contracts which require the prompt payment of subcontractors and sub-subcontractors.
- Including, where relevant, scored award criteria relating to tenderers' procurement and supply chain management policies as part of the procurement process.

Useful Links

- Guidance for buyers can be found on the [Procurement Journey](#).
- Guidance for suppliers on how to respond to this question can be found on the [Supplier Journey](#).
- The [Sustainable Procurement Tools](#) can support buyers in embedding climate objectives into their procurements. Alongside the Tools, this platform hosts Climate Literacy eLearning and sustainable procurement guidance, including guidance on [Carbon in Production, Climate and Energy](#), [Climate Change Adaptation](#) and [Vehicle Emissions](#). The [Case Studies](#) library available on the Tools includes real examples of how Scottish public bodies have procured goods, services and works in a sustainable, low carbon way.
- The [Public Procurement Strategy for Scotland](#) encourages public bodies to broaden their response to the climate emergency.
- [NHS Dumfries and Galloway Procurement Web Page](#)
- [NHS Dumfries and Galloway Annual Report 2022-23](#)
- [NHS Dumfries and Galloway Buyer Profile \(on Public Contracts Scotland\)](#)
- [NHS Dumfries and Galloway Public Facing Contracts Register](#)
- [Scottish Model of Procurement](#)
- [Changes to European Directives](#)
- [Public Procurement Reform Programme](#)
- [EU Procurement Thresholds](#)
- [Public Contracts Scotland](#)

Glossary of Terms Used

Term	Description
CEL	Chief Executives Letter
Community Benefits	Community Benefits are defined as, relating to training and recruitment, availability of sub-contracting opportunities, or other requirements intended to improve the economic, social or environmental wellbeing of the authority's area.
Community Benefits Gateway (CBG)	An online portal developed by NHS National Services Scotland which allows community and third sector organisations to advertise their requirements for support, which NHS Scotland suppliers may then take up.
CAP	Commodity Advisory Panels
CRF	Cyber Resilience Framework
DL	Directors Letter
DPA	Data Protection Act
FTS	Find a Tender
GDPR	General Data Protection Regulation
IMT	Information Management and Technology
KPIs	Key Performance Indicators
NDS	National Distribution Centre
NHSSS	NHS Scotland
NISD	Network and Information Systems Directive
NP	National Procurement. The sectoral 'centre of expertise' for NHS Procurement in Scotland who put in place national framework contracts. They are hosted within NHS National Services Scotland.
OJEU	Official Journal of the European Union
PCS	Public Contracts Scotland. This is the Scottish Government mandated contracts advertising portal for all regulated procurements (over £50k for goods and services and £2m for Works). It also contains the 'Quick Quote' tool which is used for competitive quotations exercises (under £50k) and running mini-competitions from framework contracts.
PECOS	eProcurement System used by NHS Scotland Health Boards
Regulated Procurement	A public contract with estimated value equal to or greater than £50,000 (£2 million in the case of public works) (excl. VAT)
SFIs	Standing Financial Instructions
SME	Small and Medium Sized Enterprise
SOC	Serious Organised Crime
SPD	Single Procurement Document

Term	Description
Sub-UK Tender	<p>A procurement regulated by the Procurement Reform (Scotland) Act 2014 in the range £50k-£115k (excl. vat) over the lifetime of the contract.</p> <p>These procurements are advertised using the Public Contracts Scotland portal only.</p>
Supported Business	<p>Supported businesses are defined within the Public Contracts (Scotland) Regulations 2015 as economic operators 'whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons.</p>
Trade Spend	<p>Spend with third party 'trade' suppliers. This excludes non-pay spend with other public sector organisations eg. other NHS organisations, local authorities, HMRC, Scottish Public Pensions Authority.</p>
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Turas	<p>NHS electronic learning management and appraisal system.</p>
UK Tender	<p>A tender advertised using the UK 'Find A Tender Service' (FTS). These procurements are regulated by the Public Contracts (Scotland) Regulations 2015.</p> <p>Although tender documentation is uploaded to, and advertised on the Public Contracts Scotland advertising portal, this contract notice (advert) is also passed onto the FTS for advertisement UK-wide.</p> <p>Similarly, contract award notices (advert) are also published on PCS and then passed for publication to FTS when over £138,760 inc VAT.</p>