

NHS Borders Procurement Strategy

2022 – 2024

Name of document	NHS Borders Procurement Strategy 2022-2024
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Date	Record of changes made to document
December 2022	This policy document replaces NHS Borders Strategy 2020-2023
	The document reflects changes in NHS Borders internal governance, the development of the Boards Financial Turnaround Programme and the changing involvement in the National Shared Services programme (East of Scotland).

1. Executive Summary

This Procurement Strategy sets out the work required to ensure that NHS Borders meet the expectations of our customers; is capable of being measured against best practice and has developed consistent ways to promote continuous improvement towards procurement excellence.

This Procurement Strategy positions procurement activity visibly within the organisation establishing Board level commitment to and involvement in the management of the Board's procurement deliverables. It additionally sets out clear, measurable objectives and priorities for improvement which will be closely monitored. Progress against these strategic objectives will be reported to the NHS Borders Clinical Executive Strategy Group.

Procurement is also a key function supporting the Strategic Workstreams within the NHS Borders Turnaround Programme. All related activity and plans are visible across the organisation through a number of Workstreams, existing Board level commitment is strengthened and procurement is recognized as a driver for change. Vitally, it also ensures clinicians are fully sighted on how procurement support can help improve Clinical Pathways and allows barriers to improvement to be subject to test of change.

This document updates the NHS Borders 2015-2018 procurement strategy. This strategy sets out clearly the procurement functions commitments over the period 2020-2023 and is fully compliant with the following Procurement regulations governing Public Procurement in Scotland:

- The Procurement Reform (Scotland) Act 2014
- The Public contracts (Scotland) Regulations 2015 and;
- The Procurement Scotland Regulations 2016
- CEL 05 (2012) i.e. Dealing with Key Procurement Principles

The development of Health and Social Care Integration and the Joint Integration Board across NHS Border and Scottish Borders Council will be kept under review and the Strategy will be updated accordingly.

The strategy will additionally shape the Board's procurement procedures which set out the detailed operational controls governing procurement activity in a manner which meets the requirements of the Board's Standing Financial Instructions, Financial Operating Procedures and relevant procurement legislation.

The strategy will be supported through line management structures and savings targets will be reflected within the savings plans across the individual business units as per the Financial Turnaround Three Year Financial Plan.

Like many corporate support areas across the NHS in Scotland, the Procurement function is part of the National Shared Service Review Programme. The Programme will determine the future shape of Logistics and Procurement functions across Scotland to meet the improving health objectives as well as driving efficiency and best practice.

An East & North Regional Procurement Group has been established to deliver an East of Scotland Procurement Operating model. The aim of this Group is to develop a shared approach to procurement services through partnership working based on a sustainable model of delivery, common approaches and best practices.

The first phase in delivering this model is through the development of a business case/options appraisal for the redesign of Procurement services (Organisational Change). **NHS Borders has paused involvement with the project for the duration of the Turnaround Programme. It is NHS Borders' intention to review this position and rejoin once the benefits of collaborative working have been evidenced through delivery of the business case.**

NHS Borders will maintain the resilience plans it has in place to mitigate the impact of any change to the current position of EU Exit arrangements. These are a combination of local plans and support from National Services Scotland who have fully developed resilience plans with Scottish Government.

2. Scope

The principles of this strategy encompass all relevant procurement activity undertaken by the Board.

3. Roles & Responsibilities

The Director of Finance is accountable to the Board for the achievement of the objectives associated with the procurement strategy. Specific responsibility for the delivery of the strategic objectives is vested in managers who are professionally accountable in relation to procurement activity.

4. Strategy Rationale/Context

Purpose

The purpose of this strategy is to lay out a clear framework for the activities of the NHS Borders Procurement function over the period of 2020-2023. This will provide NHS Borders service stakeholders with an overview of how the procurement function can support the delivery of key NHS Borders, NHS Scotland and Scottish Government strategic ambitions.

Strategy Drivers

It is an accepted principle within the Scottish Public Sector that all of an organisation's non pay expenditure should be subject to professional procurement influence. John F. McClelland's "Review of Public Procurement in Scotland" (McClelland, 2006), commonly referred to as the McClelland Report, outlined the path to "Best Value" in Public Sector Procurement and contained attributes and performance assessment metrics for organizations to aspire to and map their way to superior performance.

Policy

NHS Borders works within the Scottish Model of Procurement

The Scottish Model of Procurement puts procurement at the heart of Scotland's economic recovery: use the power of public spending to deliver genuine public value beyond simply cost and/or quality in purchasing. This model is owned by the Scottish public sector: to work together to develop strategic relationships with key business and Third Sector organisations. The Value for Money triangle sums up the Scottish Model of Procurement; it is not just about cost and quality, but about the best balance of cost, quality and sustainability."

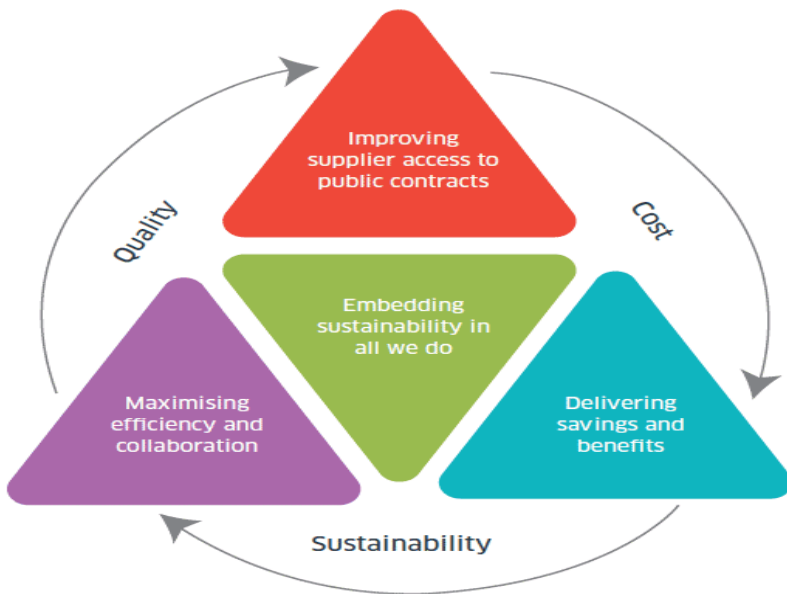


Figure 1 The Scottish Model of Procurement.

How Procurement is structured

The figure below shows the inter-relationship between the different public procurement organisations and their respective responsibilities.

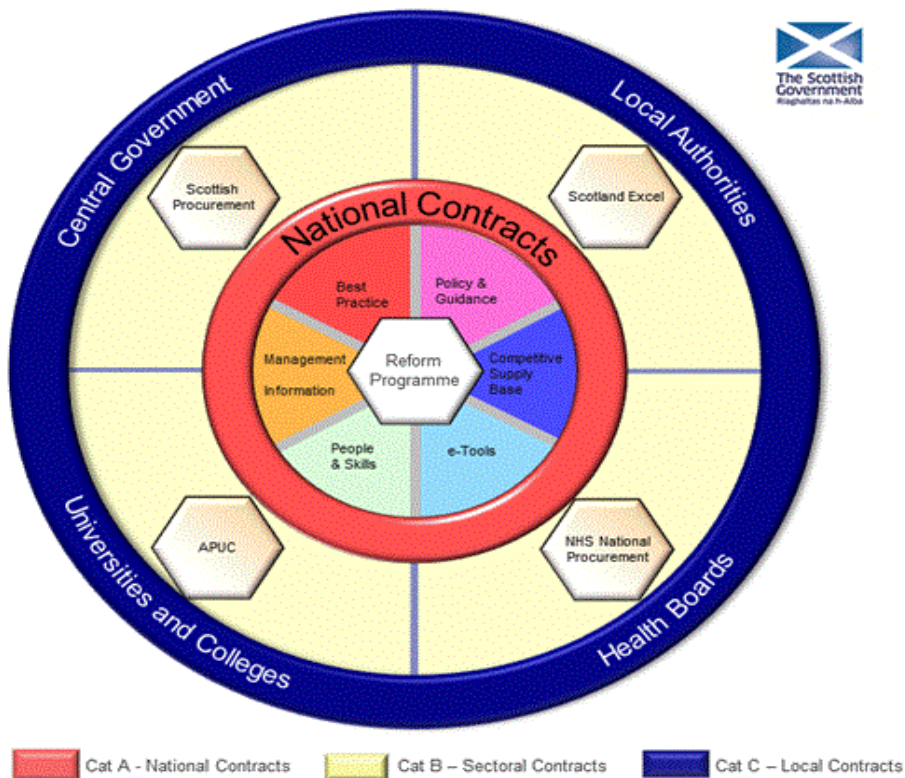


Figure 2 Scottish Procurement Structure

Health Policy

Within the Health context the NHS Scotland approach is controlled within the NHS Scotland Procurement Steering Group. The CEL 05 (2012) (Directorate for Health Finance and Information, 2012) sets out the key principles of this engagement to be adopted by all Health Boards and Special Boards in Scotland with regards to Procurement activity.

In Particular:

National & Sectoral, Regional and Local Contracts will be used as part of the strategy Where a contract exists then it must be used within the Health Board or exceptions noted and justified.

Procurement, Clinical and Technical leads will work with NHS National Procurement, Regional Procurement and Local Procurement to support these contracts and ensure best value decisions are made for the board on their use.

Commodity Advisory Panels (CAPs) and Technical Users Groups (TUGs) will continue to function and report on supplier award and product selection through Procurement Steering Group.

The Economic Challenge

NHS Borders must balance demand with resource. As detailed within its Financial Plan for 2019-20, NHS Borders is required to deliver efficiency savings.

The 2019_20 financial plan (insert link to plan) over the next 3 years projects an indicative recurring efficiency savings target of £7m, 6m and £5.4m to return the Board to sustainable financial balance by April 2023. (Update) This has been shared with the Board & Scottish Government and agreed as a reasonable balance between pace of savings and the scale of change required.

The current targets are for planning purposes and may need to be amended as we get more information on the UK and Scottish Budget allocations. The Strategy will be updated once the final targets are finalised.

Procurement Capability

A focus of NHS Scotland's drive to attain "Best Value" is the use of a Procurement & Commercial Improvement Programme (PCIP).

In January 2016 a PCIP assessment was performed on NHS Borders. The overall banding for this assessment was "12" which places the Health Board in the upper quartile for performance, and at the top level.

The next round of assessments is due in 2022.

5. Strategic Alignment

To ensure effective alignment through organisational strategies the following national and local strategies are referenced and have been taken into consideration in this strategy.

NHS Borders Objectives, Aim, Values & Vision

NHS Borders Procurement's principal values are aligned to the Boards Corporate Objectives as follows:

- Supporting the Board's highest priority of Patient Safety
- Customer focus through helping others
- Openness and transparency in all our work
- Integrity in our ways of working & decision making processes
- Mutual Respect and recognition of each person's contribution
- Excelling & Improving through a continuous improvement culture
- Commitment to staff through engaging leadership, team working and development

These values reflect the NHS Scotland organisations' principal values.

NHS Scotland Procurement Framework

The purpose of the NHS Scotland Procurement Framework is to provide NHS Scotland service stakeholders and procurement professionals with an overview of how the procurement service can support the delivery of key NHS Scotland and Scottish Government strategic ambitions. The document provides a 'mapping' of strategic aims against two primary sources: o A '2020 Vision' published by SGHSC in Sep 2011 o Scottish Procurement Policy Handbook published by Scottish Procurement and Commercial Directorate 2008.

Procurement Reform Act 2014

The Procurement Reform Act is a significant element of the continuing Public Procurement Reform Programme. The Programme centres on the Scottish Model of Procurement, which puts procurement at the heart of Scotland's economic recovery. It sees procurement as an integral part of policy development and service delivery. It is a simple concept - business friendly, socially responsible. Looking at outcomes not outputs, it uses the power of public spend to deliver genuine public value beyond simply cost/quality in purchasing. The Procurement Reform (Scotland) Act builds on the work achieved so far in the reform of public procurement in Scotland. It will establish the laws regarding sustainable public procurement, and allow us to maximise the economic benefit brought to Scotland from effective and efficient public procurement activity.

Scottish Sustainable Procurement Action Plan

The Scottish Sustainable Procurement Action Plan outlines a whole organisation approach to successful sustainable procurement. A whole organisation commitment to making more sustainable choices is required to deliver sustainable procurement. This means identifying more sustainable ways of meeting requirements and designing sustainable procurement specifications accordingly. The approach should address the social, economic and environmental implications of product and service choices. It should embrace whole life

costing and address how aspects such as design, manufacturing materials, operating costs, energy consumption, waste and recycling options support a more sustainable approach.

Chief Executives Letter 05 (2012) CEL 05 2012

The purpose of this CEL is to refresh the guidance issued within HDL(2006)39 in order to clearly mandate the use of national, regional and local contracts where such contracts exist; and provide a series of supporting principles which should be adopted by all Health and Special Boards in Scotland in order to support the aim of achieving best value from procurement activity.

6. Aims of the strategy

The aims of this strategy are to set out:

- **What** NHS Borders's Procurement Department proposes to deliver to NHS Borders over the next 3 years to assist their contribution to transforming the health and well being of the people of the Scottish Borders;

and

- **How** NHS Borders Procurement Department will enhance both the quality of our services and our ways of working so that we become valued over that period, as a world-class partner who consistently meet customer expectations.

NHS Borders procurement also recognises that our activities have an effect on the society in which we work, and that developments in society affect our ability to work successfully.

NHS Borders Procurement Department is committed to achieving environmental, social and economic aims that tackle these effects.

To meet the Aims of NHS Borders, the Procurement Department will require to be consistently delivering satisfactory outcomes over the key areas for measured continuous improvement as set out in the NHS National Centre of Expertise, Procurement & Commercial Improvement Programme (PCIP). These are:

- Leadership and Governance
- Develop and Tender
- Contract
- Key Purchasing Processes

A new Assessment Regime (AR15) was launched in 2015 and replaces the previous Procurement Capability assessment. The new assessment regime focuses on the policies and procedures driving procurement performance and importantly the results they deliver.

NHS Borders Procurement will require to will require demonstrating year on year improvement in each of these 4 areas. The next assessment is proposed 2022. NHS Borders will maintain and improve performance within the PCIP status of Band 12 using the Procurement Development Plan (Appendix 2).

7. How We Will Procure

Procurement

Procurement is the process of the acquisition, usually by means of a contractual arrangement after open competition, of goods, services, works and other supplies. This definition covers both conventionally funded and more innovative types of procurement. The process spans the whole life cycle from mutual conception and definition of need, to the end of the useful life of an asset or the end of a contract and concerns itself with achieving best value for money.

Pharmacy/construction (Capital)/Estates

Pharmacy/construction (Capital) and Estates Teams in NHS Borders will carry out Procurements in line with this strategy and using the Procurement Journey.

Assurance and continuous improvement in these areas will be maintained by the PCIP assessments carried out by the Procurement Team. NHS Borders will also support continuous improvement through the appropriate Turnaround Workstreams with targeted work sessions and ongoing support and advice.

Definition of Regulated Contracts

A regulated contract is a public contract which (other than a public works contract) is equal to or greater than:

Type	Threshold
Public Contract (Other than a public works contract)	£50,000
Public Works Contract	£2,000,000

Contributing to the carrying out of NHS Borders functions and achievements of its purposes

Effective Procurement makes a key contribution to improving health by optimising the resources available for health priorities. This includes, but not limited to;

- Seeking best value through competitive procurement exercises
- Whole Life Costing products and services
- Cost avoidance
- Reduce Waste and Variation
- Process efficiencies
- Lower operating costs

Best Value for Money

The concept of best value for money is defined as the optimum combination of whole life cost and quality (or fitness for purpose) to meet the customer's requirements. While best value for money will be the primary objective of procurement policy, this definition allows for the inclusion, as appropriate, of social, economic and environmental goals within the procurement process. NHS Borders will seek value for money from all procurement exercises by utilising all the relevant legislation and guidance available. This, combined with highly trained Procurement Professionals ensures the best value for money outcome is achieved by the Board.

Sustainable Procurement

Sustainable procurement can be defined as: "A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis and generates benefits not only to the organisation, but also to society, the economy and the environment". NHS Borders recognises that Sustainable Procurement is a fundamental backbone of all procurements. NHS Borders will utilise all the legislation and guidance available to, where possible, deliver Sustainable Procurement Outcomes

Fair Work Practices and the Living Wage

Public Procurement is a key driver of policy development and service delivery which supports sustainable economic growth. The delivery of high quality services can impact on users of public services and can help create a fairer, more equal society. Service levels are often critically dependent on the quality and engagement of the workforce through fair work practices for those engaged in delivering public contracts. NHS Borders will apply the Statutory Guidance on the Selection of Tenderers and Award of Contracts to all relevant contracts in a proportionate and transparent manner.

Fair Work First Criteria include providing fair pay for workers (for example, payment of the Real Living Wage). NHS Borders is a Real Living Wage Accredited employer. This demonstrates that all directly employed staff and all regular contractors are paid the RLW. NHS Borders will assess all regulated procurements for inclusion of Fair Work First criteria and utilise where appropriate.

Community Benefit Clauses

NHS Borders is committed to maximising Community Benefits from its procurement activities. This will be achieved through the inclusion of specific clauses within procurement contracts known as Community Benefit Clauses. Community Benefit Clauses are contractual requirements which deliver wider benefits in addition to the core purpose of the contract. These clauses can be used to build a range of economic, social or environmental conditions into the delivery of contracts. The Public Contracts (Scotland) Regulations 2012 and European Procurement Directives enable public bodies to include Community Benefits in the procurement process, in certain circumstances.

NHS Borders will assess all regulated procurements for inclusion of Community Benefit Clauses and utilise where appropriate.

Supported Business

What is a supported business?

A supported factory or business is an establishment where over 50 per cent of the employees are people with a disability. In addition to employment, supported businesses offer training opportunities for more many other individuals each year.

Why are supported businesses important?

The value of on-going employment, training, social interaction and mentoring offered to people with disabilities is central in enabling them to become more independent and active in the workplace and their communities.

Legislation and supported businesses

Public sector buyers have the ability, within EU procurement Regulations (Article 19), to decide to reserve contracts to supported businesses only.

NHS Borders aspire to

- Utilise the National Supported Business Framework
- Consider Supported Business wherever possible
- Increase Supported Business expenditure year on year.

Consulting and Engaging (Technical User Groups)

Chief Executives Letter 05 2012 (CEL05 2012) stipulates that;

Technical User Groups (TUGs) should be established by each Health Board for key projects with decision making powers from their Executive Board through a scheme of delegation. Each TUG will be responsible for supplier award and product selection decision making within their Board for local contracts and will provide representation to national CAP (Clinical/Commodity Advisory Group) panels for national contract activity. The decision of the TUG will be mandatory across the Board and will be made prior to development of national contract tendering activities.

NHS Borders will (where/if appropriate)

- Implement Technical User Groups for all key procurement projects
- Ensure public/patient participation is used wherever appropriate
- Provide representation to National Clinical/Commodity Advisory Groups

Health and Safety at Work Act

NHS Borders will promote compliance of contractors and subcontractors to the Health and Safety at Work Act 1974 with our Terms and Conditions of contract and or specific contract clauses where appropriate.

Payments to Sub Contractors

NHS Borders aspires to pay all contractors and suppliers within ten days of receiving an invoice. In order to support the wider supply chain.

- NHS Borders will by way of Terms and Conditions specify that
 - All subcontractors payments are made by no later than thirty days from date of receiving an invoice
 - Subcontractors pay their subcontractors no later than thirty days from date of receiving an invoice

Public Contracts Website including Publication of Contract Notices and Awards

The Public Contracts Scotland website is currently used by NHS Borders to

- Publish Contract Notices
- Publish Award Notices
- Seek quotations through Quick Quote

NHS Borders will continue to use Public Contracts Scotland as above and utilise the Public Contracts Scotland Tender tool for regulated procurements

Procurement Journey

The Procurement Journey is intended to support all levels of procurement activities and to help manage the expectations of stakeholders, customers and suppliers alike and facilitates best practice and consistency across the Scottish public sector.

The Procurement Journey provides one source of guidance and documentation for the Scottish public sector which can be updated on a continual basis with any changes in legislation, policy and facilitates best practice and consistency.

NHS Borders will use the Procurement Journey process and documentation for all regulated procurements

Compliance with the Procurement Reform (Scotland) Act 2014

There is an accepted principle that all of an organisation's non-pay expenditure should be subject to professional procurement influence and that is a measurable aspiration. This has been further developed and expanded by the Procurement Reform (Scotland) Act 2014. The main additional focus that the Act are transparency of procurement (e.g. annual report), supporting opportunities for Small , Medium sized Enterprises (SMEs) and the requirement to publish more widely previous agreed contracts and plans of work for the following 2 years. All of the following duties will be progressed within the Development Action Plan.

- Publication of NHS Borders Contract Register - NHS Borders is fully committed to transparency in its spend with suppliers and supports the requirement of the Procurement Reform Act 2014 to publish a public facing contracts register. To this end NHS Borders will utilise the functionality available on the Public Contracts Scotland website. All NHS Borders public contracts of value above £50,000 shall appear on the register.
- Approach to Framework Call Offs – Any call off from a Framework Agreement with a single supplier that exceeds or is expected to exceed (in the case of multiple call offs) the threshold value of £50,000 over the lifetime of the Framework will (as soon as practicable) have an associated contract award notice placed on Public contracts Scotland advertising this fact. By virtue of the award placement an associated entry with the public contract register will be made.
- Approach to sourcing out with Framework Call Offs – Any requirement for sourcing out with a Framework agreement will be undertaken in line with Borders SFI's and the relevant procurement legislation.
- Publication of Annual Report – The NHS Borders Procurement annual report will be published as soon as reasonable practicable but no later than 5 months after the end of the financial year in line with statutory guidance (Scottish Government, 2016) The NHS Borders Procurement annual report will be approved by the NHS Borders Procurement Steering Group in the first quarter of each year and then will be presented to the NHS Borders Board for final approval before publishing on the NHS Borders website. The annual report will contain the following information as a minimum;
 - (a) A summary of the regulated Procurements that have been completed during the year covered by the report.
 - (b) A review of whether those procurements complied with the NHS Borders Procurement strategy.
 - (c) To the extent that any regulated procurements did not comply, a statement of how NHS Borders intends to ensure that future regulated Procurements do comply.
 - (d) 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.

- (e) A summary of any steps taken to facilitate the involvement of supported businesses in regulated Procurements during the year covered by the report.
- (f) A summary of the regulated Procurements the authority expects to commence in the next two financial years.

8. Governance

General

There are various fiscal and legal requirements to be adhered to in relation to Procurement undertaken by NHS Borders. There is therefore a responsibility to ensure appropriate arrangements for governance, controls and assurance are in place to monitor, measure and report upon compliance at all stages.

NHS Borders is obliged to meet the minimum governance and accountability requirements as set out in the McClelland Report and Procurement Reform (Scotland) Act 2014. Compliance will be tested through audit and the bi-annual capability assessment (PCIP). Confirmation of NHS Borders meeting these requirements is given through the Executive Lead for Procurement from the Board.

It is required that the NHS Borders Procurement governance framework also promotes and reflects the following three criteria:-

- Specific senior management responsibility with direct access to the strategic management of business
- Procurement is recognised as integral to core NHS Borders activities
- Appropriate executive accountability and involvement is clearly defined

Procurement Resource Structure

NHS Borders will review the outcomes and recommendations of the McClelland Organisational Sub-Group, which is tasked with defining what the resource structures of individual Procurement Departments across the Public Sector should look like, and implement its recommendations where appropriate. This work takes into account the varying complexities of organisations but includes the following key areas of resource coverage:

- **Procurement Management** (with links to appropriate areas such as NCoPE, East of Scotland Procurement Directorate, Board areas with a procurement remit, IT, Facilities, Pharmacy, Human Resources etc)
- **Commercial** (Sourcing & Implementation of Commodity Purchases)
- **Purchasing** (Ordering, Catalogues and Supplier data management)
- **Systems** (Training, Support including Business to Business (B2B), Benefits Management, Best Practice Indicators (BPI) and compliance)
- **Customer Services** (Performance Improvement, Problem Resolution, etc)
- **Logistics** (Delivery of supply and management of required stock)

The delivery of all these aspects across NHS Borders and to external NHSS organisations will require the current Procurement structural arrangements to be monitored, developed and realigned where appropriate on an ongoing basis to ensure

- appropriate governance is place,
- processes remain efficient and effective,
- Board employees with a procurement remit hold the necessary knowledge and skills to deliver the required roles
- error, waste and duplication are eradicated and
- that the Board can deliver against the strategic objectives outlined within this Strategy.

NHS Borders Procurement Steering Group

Introduction

The NHS Borders Procurement Steering Group has been established and proved to be an effective method of communication major issues/opportunities. This group has developed the governance framework, monitor and measure compliance and set Procurement structure and policy for NHS Borders.

This Group will oversee implementation of the NHS Borders Procurement Strategy and drive pursuit of the work and changes required to achieve successful delivery in line with the public procurement reform agenda in Scotland. It will take direction from the NHS Borders Board and will report, and provide assurance, to the Board on implementation of the strategy.

The group is chaired by the Executive Director, Procurement Lead and membership of the group includes representation from across NHS Borders. The Steering Group is responsible for ensuring that the NHS Borders Procurement strategy and the programme of work associated with it remains on course to deliver benefits, and that obstacles to delivery and benefit realisation are removed or reduced. It will lead, drive and facilitate the work to develop collaborative approaches to procurement across NHS Borders.

Remit

The NHS Borders Procurement Steering Group will have its remit agreed by and report directly to the NHS Borders Clinical Executive Strategy Group. The Governance structure of the Procurement Steering Group is attached as Appendix 1. The extract which details the remit of the Group is as follows:

- To keep the NHSB Procurement Strategy up-to-date and in line with legislation, Scottish Government requirements, national guidance and good practice.
- To raise the profile of Procurement within the Board
- To ensure that the organisation is aware of statutory requirements, national guidance and developments both local and national so that through integration with colleagues from National Procurement the board is best placed to work to a procurement strategy, which will reflect the McLelland Report, Review of Public Procurement in Scotland, establish value for money, efficiency savings and through Procurement Capability Assessment (PCIP) demonstrate continuous improvement aspiring to superior performance.

- Delivery of Procurement Savings Target
- Ensure the required level of collaborative co-operation and working is achieved through the membership of the East of Scotland Procurement Consortium which will result in delivery of benefits accruing through a regional approach to Procurement.
- Management of the NHSB Procurement Development Action Plan.
- Make decisions on recommendations made in relation to developments within the Public sector Procurement Reform Agenda.
- Monitor Procurement Performance through a comprehensive set of Performance Indicators (KPIs). KPIs will be reviewed annually.
- Report progress to NHSB Strategy Group (Board level membership).

The full Terms of Reference of the Procurement Steering Group are attached as Appendix 4.

Strategy Management

Reporting

An annual report on this strategy is required to be published on the NHS Borders website as set out in the Procurement Reform Act.

The annual report will be prepared by the Head of Procurement and presented to the Director of Finance for approval before publication following the end of each Financial Year.

Communication

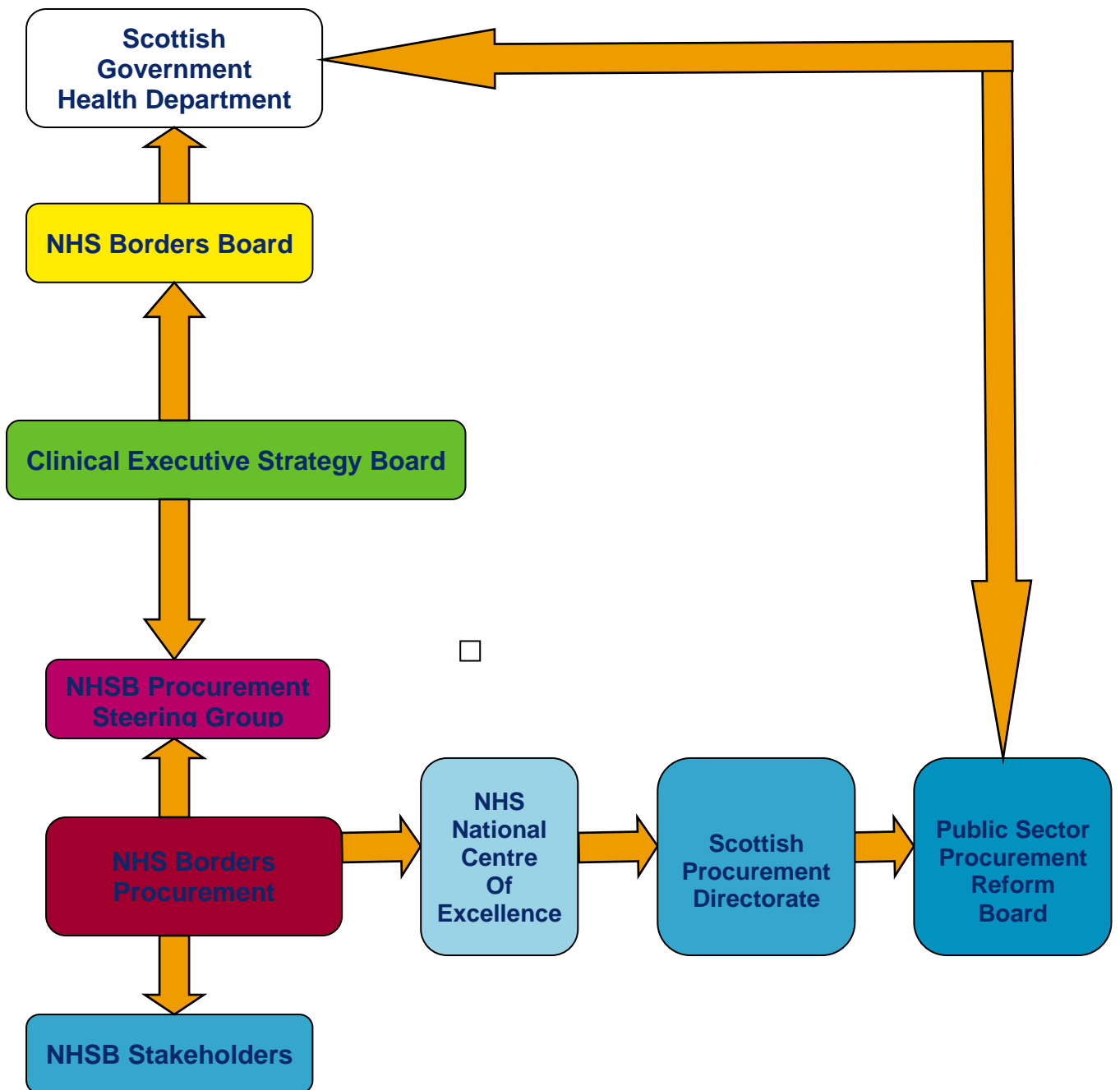
This Procurement Strategy will be published on the NHS Borders website as set out in the Procurement Reform Act. The Procurement Strategy/Annual Report will also be shared with all members of the Procurement Team each year by the Head of Procurement.

APPENDIX 1

Reporting Lines

The diagram below (Diagram 1.0) illustrates the reporting lines for the NHS Borders Procurement Steering Group and associated governance relationships. These may change as Public Sector Procurement evolves.

Diagram 1.0



APPENDIX 2

NHS Borders Procurement Steering Group Development Action Plan (To follow).

APPENDIX 3

NHS BORDERS PROCUREMENT STEERING GROUP TERMS OF REFERENCE

AIMS & PURPOSE

The NHSB Procurement Steering Group has been established to support and oversee the Board's overall approach to Procurement. In support of NHSB Corporate objectives the Group will oversee the implementation of the NHS Borders Procurement Strategy and will drive progress towards achievement and successful delivery in line with the recommendations set out in the McLelland Report (2006) and the wider public procurement reform Agenda in Scotland. Operational departments with a procurement remit will form the Procurement Steering Group to ensure a consistency of approach, effective management of change and monitoring of progress through a formal Procurement Improvement Programme (Efficiency Board Project).

FREQUENCY OF MEETINGS

The Steering Group will meet bi-monthly. Members are asked to ensure an appropriate deputy attends if they are unavailable

REMIT

- To keep the NHSB Procurement Strategy up-to-date and in line with legislation, Scottish Government requirements, national guidance and good practice.
- Raise profile of Procurement within the Board

To ensure that the organisation is aware of statutory requirements, national guidance and developments both local and national so that through integration with colleagues from National Procurement the board is best placed to work to a procurement strategy, which will reflect the McLelland Report, Review of Public Procurement in Scotland, establish value for money, efficiency savings and through Procurement Capability Assessment (PCIP) demonstrate continuous improvement aspiring to superior performance.
- Delivery of Procurement Savings Target
- Ensure the required level of collaborative co-operation and working is achieved through the membership of the East of Scotland Procurement Consortium which will result in delivery of benefits accruing through a regional approach to Procurement. (Currently on Pause).
- Management of the NHSB Procurement Development Action Plan.
- Make decisions on recommendations made in relation to developments within the Public sector Procurement Reform Agenda.
- Monitor Procurement Performance through a comprehensive set of Performance Indicators (KPIs). KPIs will be reviewed annually.
- Report progress to NHSB Strategy Group (Board level membership).

GOVERNANCE

The Procurement Steering group incorporates appropriate representation from across NHS Borders. The Group has established a governance framework, will monitor and measure compliance and will lead in the development of procurement related structures and policies within this Board. Representatives from the group will sit on a variety of groups and boards at regional and national level, meeting the public reform agenda within Scotland

NHS Borders is obliged to meet the minimum governance and accountability requirement as set out in the McLelland Report. Compliance will be tested through audit and the annual Procurement Capability Assessment

The Chief Executive is accountable to the Board for the achievement of the objectives associated with the procurement strategy.

The Director of Finance as Chair of the Procurement Steering Group, will influence all non-pay spend and develop formal plans to ensure spend is appropriately managed through a single procurement gateway, in line with public procurement reform best practice, for the delivery of the strategic objectives.

The Head of Procurement, will fulfil through the Procurement Steering Group the role of Accountable Officer, (managerially), for NHS Borders, will project manage the overall Procurement Improvement programme, acting as a conduit between operational departments and national support and advisory bodies ensuring essential dissemination and implementation of change, to both statutory and mandatory guidance.

Managers, professionally accountable in relation to procurement activity, will deliver strategic objectives.

The Procurement Steering Group will report to the NHS Borders, Clinical Executive Strategy Group.

MEMBERSHIP

Shona Milne	Head of Procurement
Jackie Stephen	Head of IM&T
Brian Douglas	Head of Estates
Alison Wilson	Director of Pharmacy
Susan Paterson	Deputy Director of Finance
Andrew Bone	Director of Finance (Chair)

APPENDIX 4

Glossary of Terms and Abbreviations

McClelland Report	The detailed review of Public Sector Procurement in Scotland and recommendations published in 2006.
SFI	Standing Financial Instructions including Delegated Limits
NCoPE's	National Centres of Expertise for Procurement established following one of the McClelland Report recommendations. In the case of NHS Scotland, NSS National Procurement provides this function.
NP	National Services Scotland National Procurement Division
e-PS	The eProcurement <i>Scotland</i> service (ePS) supports the full purchase to pay cycle' providing a range of services including e-sourcing (electronic tendering and auctions) and transactional purchase to pay solutions.
KSF	NHS Knowledge & Skills Framework
SPPN	Scottish Procurement Policy Notes issued periodically by the Scottish Government – Scottish Procurement Directorate.
CLO	NSS Central Legal Office Division
Spikes Cavell Observatory	An online database containing the enhanced expenditure data of more than 500 local authorities, universities, colleges, central & civil government departments, police forces and other public sector bodies nationwide. NHS Borders inputs data to this to enable reporting, supplier and commodity management and benchmarking.
SSS Programme	The financial Shared Support Services Programme for NHS Scotland
CIPS	The Chartered Institute of Purchasing and Supply
SVQ	Scottish Vocational Qualifications. A work place competency based set of qualifications set by the Scottish Qualifications Authority.
IT & C	Information Technology and Communications.
BPI	Best Performance Indicators for procurement within the Public Sector in Scotland.
B2B	Business to business activities
Public Sector Procurement Reform Board	The lead group responsible for driving forward and ensuring delivery of the Public Sector Procurement reform agenda. Chaired by the Scottish Government, Cabinet Secretary for Finance and Sustainable Growth
East of Scotland Procurement Consortium	Consortium of NHS Boards – Borders, Lothian, Fife, Tayside, Highland, Grampian, Forth Valley, Shetland & Orkney.

