



Procurement Strategy

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Equality and Diversity Impact Assessment

EQIA

Contents

1. Introduction	1
2. Our vision, mission and role of the Shared Procurement Service	1
3. Contracting activity	2
4. Key priorities	3
5. Policies	4
6. Annual Procurement Report	6
7. Strategy ownership and contact details	7

1. Introduction

This document sets out the Procurement Service's Procurement Strategy to support the Golden Jubilee Foundation including The Golden Jubilee National Hospital, The Golden Jubilee Research Institute, The Golden Jubilee Innovation Centre and the Golden Jubilee Conference Hotel to deliver their corporate objectives in line with public procurement legislation, the Scottish Model of Procurement and Scottish Government policy. The public procurement landscape in Scotland has continued to develop since the previous strategy was produced in November 2016, with both policy development and legislative change. It is now a legal requirement for Scottish public sector bodies to publish a Procurement Strategy and review it annually.

The Scottish Government's policy drivers for public procurement are predominantly centred around **sustainability, economic development and tackling inequality**. The key priorities of the Procurement Service's Procurement Strategy are outlined in Section 4 of this document. It is not necessary to detail the legislative and policy background that governs public sector procurement in this document, but we will ensure that the Procurement Service complies with this the legislative framework and policy drivers, and developments will be addressed through the annual work plans. Current issues include compliance with the General Data Protection Regulations (GDPR), and ensuring measures to prevent fraud and bribery are robust.

This Strategy has been developed in consultation with stakeholders within the Golden Jubilee Foundation and will be signed off by the Senior Management team, the Audit and Risk Committee and the finally the Board. It is based on the template and guidance for procurement strategies produced by the Scottish Government (SG). Compliance with legislation pertaining to public procurement is the minimum standard. The Procurement Service will aim to function beyond that level and align with best practice.

2. Our vision, mission and role of the Shared Procurement Service

Vision

We aspire to be a high performing team that delivers sustainable procurement as well as financial efficiencies to each of The Golden Jubilee National Hospital, The Golden Jubilee Research Institute, The Golden Jubilee Innovation Centre, The Golden Jubilee Conference Hotel.

Mission

To provide a cost effective and legally compliant procurement service that meets the needs and expectations of all service partners within the Golden Jubilee Foundation in support of their corporate objectives.

Role

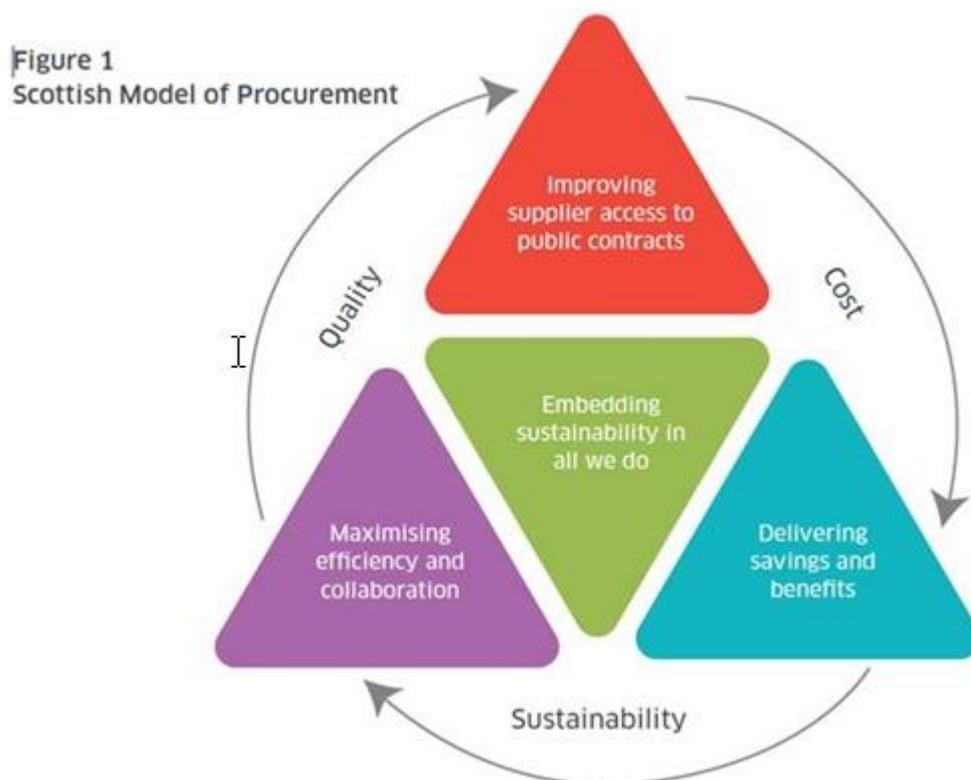
Our work focuses on:

- Delivering savings, efficiencies and sustainable procurement through contracting activity. This includes collaborative working where appropriate.
- Providing advice on public procurement to stakeholders throughout the Golden Jubilee Foundation.
- Developing the skills and expertise of our team to deliver a high quality service to our stakeholders.

Note: Sustainable procurement is intended to derive social, environmental and economic benefits from public expenditure in addition to the purchase of the goods or services concerned.

3. Contracting activity

Our approach to buying goods, services and works reflects the Scottish Model of Procurement, in order to deliver an appropriate service that supports the objectives of the Golden Jubilee Foundation. We aim to achieve value for money by working closely with our stakeholders to understand their requirements, and with suppliers to understand the relevant market sectors. Procurement processes are based on a fair, open and transparent competition which is proportionate to the scale and purpose of the contract, and meets our legal obligations. Contracts are awarded using a mix of criteria appropriate to the subject matter of the contract.



For each procurement project that exceeds £50,000 ('regulated procurement') we will develop a sourcing strategy. These strategies are based on tools provided in the Scottish Government's Procurement Journey, such as the sustainability test. These tools help to identify opportunities to include social, environmental and economic issues that can be included in the procurement.

Our activity will include contracts for the Golden Jubilee National Hospital, Golden Jubilee Research Institute, Golden Jubilee Innovation Centre and The Golden Jubilee Conference Hotel. Details of the contracts we have awarded are available on the Public Contracts Scotland portal.

4. Key priorities

The purpose of this Strategy is to set out the strategic direction for the Procurement Service for the next 3 years.

The key priorities of the Procurement Service's Procurement Strategy are:

(a) Continue the quest for best value

We will engage with stakeholders and suppliers to identify new ways to achieve best value through supportive challenge of specifications and service levels, the use of innovative solutions where appropriate, and ongoing engagement with key suppliers and stakeholders through the contract management process post-award. We will embrace quality improvement with a view to ensuring that our processes are as efficient as they can be for the benefit of our stakeholders, our suppliers and ourselves.

(b) Sustainable procurement

We will continue to develop our practice with respect to sustainable procurement. This will include looking for ways to broaden access to contracts for Small and Medium Sized Enterprises (SMEs), the third sector and supported businesses; looking for innovation and harnessing more sustainable technologies; encouraging our suppliers to provide more sustainable goods and services with lower carbon emissions; expanding the use of community benefits; embedding fair work practices; promoting equality and tackling inequality.

(c) Tackling inequalities

We will continue to adhere to the legal requirements of the Equality Act 2010 which specifies that procurement should pay due regard to the award criteria (economic viability and performance) and equality considerations. Mechanisms are currently in place (and will be built upon) to ensure that suppliers and the Service comply with the Act and the Public Sector Equality Duty.

(d) Procurement Transformation Programme (PTP) and collaborative working

We will continue to engage with the NHS Scotland PTP and the NHS national boards' collaborative work in order to use our resources as efficiently as possible. We will seek collaborative opportunities within the NHS and beyond it wherever these may be of value to our Board We will continue to provide a managed procurement service to NHS24 in line with our service level agreement. We will continue to work with the West of Scotland Boards whilst exploring any opportunities Scotland wide and in particular Lothian Health Board in maximising both joint and cardiac device procurements.

(e) Provision of Procurement Service to NHS24 Board

We will continue to develop an integrated procurement service in conjunction with the NHS24 Board, and to work to continuously improve the Procurement Service to both Boards. We will

consider if this model could be rolled out across the National Boards, recognising Scottish Ambulance Service has a similar model with Health Scotland and Health Improvement Scotland.

(f) Team development

In order to achieve the key priorities set out above, we must continue to develop the skills of team members so that they have the capability to achieve these priorities and ensure that we continue to deliver a legally compliant service. We also must look to find innovative ways to recruit and train new members of staff recognising the current shortfall in these skills across NHS Scotland. We will work closely with other public sector bodies and further education institutions to maximise these opportunities.

(g) Procurement & Commercial Improvement Programme (PCIP)

We recognise that the PCIP has fostered improved practice in public sector procurement, and we will aim to improve on the scores achieved by all Shared Procurement Service partners in 2015 in the next assessment round (expected within the next 12 – 24 months).

5. Policies

In this section, we set out our general policies on a number of key areas, together with a statement on how we will monitor these over the period of the strategy.

5.1 Our policy on the use of community benefits in our contracts

Community Benefit Clauses are contractual clauses which can be used to build a range of economic, social or environmental conditions into the delivery of public contracts. They can contribute to sustainable procurement and enable organisations to contribute to the achievement of outcomes which deliver social benefits.

These will include:

- Creating opportunities for supported businesses and third sector organisations to deliver public services
- Employment and training opportunities for the long term unemployed and disadvantaged individuals
- Creating opportunities for SMEs to deliver public services
- Environmental activities
- Support for community initiatives

The Shared Procurement Service will seek community benefits for all procurements valued at £4m and above in line with the requirements of the Procurement Reform (Scotland) Act 2014. In addition, we will consider the potential for community benefits for all regulated procurements (currently over £50,000 for goods and services, and £2m for works) and seek to obtain these where possible.

We will monitor the community benefits achieved and report this in our Annual Report on procurement activity.

5.2 Our policy on consulting and engaging with those affected by our procurements

The Procurement Service works with internal stakeholders and potential suppliers to help us to design our procurements. Internal stakeholders may include users of the goods or services, budget holders, senior management, subject matter experts or staff representatives. Stakeholder mapping is a component of the sourcing strategy that is developed for all regulated procurements.

We will record any complaints about failure to consult and report this in our Annual Report.

5.3 Policy on the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements

The Golden Jubilee Foundation supports the right of employees to earn a fair wage. The Board is not permitted to mandate the application of the Living Wage within its supplier community. However, we will work with suppliers through contract and supplier management, and through addressing fair work practices in procurement processes to encourage suppliers to pay the Living Wage within their staff structures. Suppliers will be asked about fair work practices, including the Living Wage, in future procurements where relevant. Key suppliers will be monitored through the contract management process.

5.4 Policy on promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc Act 1974 and any provision made under that Act

The Golden Jubilee Foundation has a policy for the Management of Contractors which is aimed at promoting compliance with the Health and Safety at Work etc Act 1974, and a broad range of other health and safety legislation. This policy is provided to contractors and they are required to comply with it. In addition, the Service uses standard NHS terms and conditions of contract which require contractors to comply with health and safety legislation, and provide remedies for any failure to comply with this. Key suppliers will be monitored through the contract management process.

5.5 Policy on the procurement of fairly and ethically traded goods and services

The Golden Jubilee Foundation will consider the requirement for specifying fairly traded and ethically traded goods and services in relevant procurements on a case by case basis, as set out in its sustainable procurement policy. The Board will adopt the guidance from both, the Scottish Government, and the Chartered Institute of Purchasing and Supply with the aim to eliminate Modern Slavery and Human Trafficking from within its supply chain.

The shared service partners buy minimal amounts of goods and services that could have a fair trade or ethical trade implications, and most of these commodity areas would be covered by National Procurement framework contracts e.g. staff uniforms (cotton content), foodstuffs.

5.6 Policy on how it intends its approach to regulated procurements involving food to:

- **improve the health, wellbeing and education of communities in the authority's area**
- **promote the highest standards of animal welfare.**

The Golden Jubilee promotes the use of National Framework Contracts to procure all food required for both patients and staff and therefore the requirement to undertake regulated procurements in

respect of food and related provisions is rare. Any regulated procurement required in respect of food will reflect the requirements noted above.

5.7 Payment processes

- **the authority must set out how it intends to ensure that, so far as reasonably practicable, the following payments are made no later than 30 days after the invoice for**
 - **contractors**
 - **sub-contractors**
 - **sub- contractors to sub-contractors**

The Golden Jubilee Foundation has policies on the Prompt Payment of Suppliers. These policies state that approved invoices will be paid within 30 days, although the Finance Department aim to achieve payment within 10 days.

In addition, the Procurement Service uses standard NHS terms and conditions of contract which require contractors to pay their sub-contractors within 30 days. If this does not occur, sub-contractors may apply to our Board for support to resolve the matter.

The Golden Jubilee Foundation is required to comply with the NHS policy on 'No PO no pay' (i.e. invoices must quote purchase order numbers). Any Invoice without a valid purchase order number is returned to the supplier. The requirement for invoices to show order numbers is made clear in the NHS terms and conditions of contract.

6. Annual Procurement Report

The Procurement Strategy is implemented by means of annual work plans. Progress against the work plan is monitored by the Head of Procurement on an ongoing basis, and reported to key stakeholders within the Board on a quarterly basis.

The Procurement Reform (Scotland) Act 2014 required the Board to publish its initial annual report on regulated procurements reflecting the period 1st January 2017 to 31st March 2018 within a 4 month period from the commencement of financial year 2018/19. The Annual Report was published on the Golden Jubilee Foundation Website in July 2018, and addresses the requirements of the Procurement Reform (Scotland) Act 2014, and draws on previous annual procurement performance reports from 2016/17 and 2017/18.

The Annual Procurement Report was signed off by the Board and Audit Committee in June 2018 and comprised the following information as required by the Procurement Reform (Scotland) Act 2014:

- A summary of the regulated procurements that have been completed during the period covered by the report.
- A review of whether those procurements complied with this strategy for regulated procurements.
- If any regulated procurements did not comply with this strategy for regulated procurements, a statement of how the Service 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 period covered by the report.
- A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the period covered by the report.
- A summary of the regulated procurements that the Service expects to commence in the next two financial years.
- Details on how the procurement service pays due regard to equality and achieve the equality objectives in line with the Equality and Human Rights Commission guidance

7. Strategy ownership and contact details

The owner of this Strategy on behalf of the Golden Jubilee Foundation is the Head of Procurement. The Strategy covers the period 1st September 2018 – 31st March 2021 and will be reviewed at least once a year.

The Strategy will be published on the Golden Jubilee Foundation's website. Any amendments to this Strategy will be similarly published.

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