



Annual Procurement Report
April 2023 – March 2024

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Introduction

NHS Lanarkshire had a trade spend of around £342 million in the reporting year 2023-2024 across a range of goods, services and works. In managing this spend we operate within the context of a published [Procurement Strategy](#), with the key priorities for the 2023-24 year being:

A. To provide continuity of supply

To provide goods and services where needed, when needed and are fit for purpose, supporting timely treatment of patients and continuous improvement of the patient experience.

B. To deliver sustainable procurement, Community Benefits and promote local economic development

To support NHS Lanarkshire's healthcare strategy through leveraging supply chain expenditure to support local economic development, tackle inequalities, deliver Community Benefits, and help improve our environment.

C. To deliver value for money outcomes

To generate both cash and non-cash savings which can be reinvested into patient care and service delivery, ensuring that all resources are deployed to best effect.

D. To maintain effective financial governance

To ensure robust governance in all relevant areas and maintain corporate and individual reputation by ensuring that all procurement activity complies with statutory and regulatory requirements.

NHS Lanarkshire sources its requirements via local, regional or national framework contracts wherever possible. This takes the form of either direct call-offs, or where required by the framework terms, further competition (also known as mini-competition) exercises are undertaken. Contracts established via these further competitions are themselves regulated procurements.

Where our requirements cannot be met by local, regional or national frameworks, contract requirements in excess of £50,000 (regulated procurements) are advertised on the Public Contracts Scotland website which has UK-wide reach. To ensure best value, for procurements under £50,000 contract value we undertake competitive quotation processes to a lower threshold of £10,000.

Summary of Regulated Procurements Completed

In total, NHS Lanarkshire awarded 34 regulated contracts with a combined value of £535.6m in the period 1st April 2023 – 31st March 2024:

Description of Procurement	Contract type	Award notice date	Total value	Awarded supplier
Monklands Hospital Replacement Project	Works Contract	01/11/2023	£500,000,000.00	Laing O'Rourke
Plumbing Contracting Framework	Works Contract	06/07/2023	£6,675,000.00	WM DAVIDSON (PLUMBERS) LTD; Livingston Building Services; ECG Building Maintenance Ltd; City Building (Contracts) LLP/RSBi; Grierson; James Frew Ltd
Electrical Contracting Framework	Works Contract	05/07/2023	£6,485,000.00	dpgplus; Triple S Solutions Ltd; BMES (Scotland) Ltd.; Burgoyne Electrical Limited; Magnus Electrical Services Limited; Livingston Building Services
North ADP Overdose Response and Assertive Outreach Service	Services Contract	29/08/2023	£3,249,900.00	Turning Point Scotland
Orthotic Consumables	Supply Contract	22/03/2024	£2,135,676.00	Buchanan Orthotics Ltd; Chaneco
Provision of Primary Medical Services - Coatbridge Health Centre	Services Contract	24/10/2023	£2,000,000.00	Alba Medical Group
Provision of Primary Medical Services - Kildrum Medical Practice, Cumbernauld	Services Contract	24/10/2023	£2,000,000.00	Caledonia Medical Practice
Unified Communications Support and Improvements	Services Contract	13/03/2024	£2,000,000.00	Exchange Communications Ltd
Framework Agreement for the Supply of Renal Transport Services	Services Contract	05/02/2024	£1,880,424.00	Hospital Ambulance Car Service
Floor Covering Works	Works Contract	04/08/2023	£1,476,000.00	P LAYDEN & SON; Kirkton Flooring Limited; General & Technical Flooring Service

NHS Lanarkshire Taxi Services Framework	Services Contract	12/09/2023	£1,119,312.00	Lanarkshire Private Hire Ltd T/A Penny Cars; Airdrie Taxis; East Kilbride Taxi Owners Association;
Painting and Decorating Framework	Works Contract	09/08/2023	£950,000.00	Bell Group Limited; Mitie Property Services (UK) Ltd; Trident Maintenance Services Ltd
Taxi Services Framework for University Hospital Wishaw & the Surrounding Area	Services Contract	05/02/2024	£861,420.00	Unitedmaxis Taxis Wishaw Ltd; Redline Cabs
Framework Agreement for the Supply of Aseptic Cleanroom Clothing & Mopping Equipment	Supply Contract	28/11/2023	£706,738.24	Micronclean Limited
South ADP Justice Tender for Prison Related Services	Services Contract	19/12/2023	£675,000.00	Sacro
North ADP Family Support	Services Contract	20/06/2023	£627,254.31	Phoenix Futures
NHS Lanarkshire Assessments for Neurodevelopmental Conditions	Services Contract	29/08/2023	£500,080.00	Munizco Ltd T/A the Purple House Clinic, Glasgow
Stigma Free Lanarkshire Programme	Services Contract	19/12/2023	£450,000.00	Lanarkshire Links
Fixed Wire Testing	Services Contract	15/04/2024	£328,038.00	PHS Compliance Limited
North Lanarkshire ADP Drug and Alcohol Prevention, Early Intervention and Education	Services Contract	05/04/2023	£327,272.00	LANDED Peer Education Service
Pharmaceutical Stock Supplies to Independent Hospices in Lanarkshire	Supply Contract	22/06/2023	£211,660.00	Ashtons Hospital Pharmacy Services Ltd
Food Waste Disposal Solution for University Hospital Wishaw and University Hospital.	Supply Contract	11/04/2024	£152,400.00	Bergmann Direct Ltd
Supply of Special Labels & Ribbons	Supply Contract	06/07/2023	£150,000.00	Streamline Corporate
Endowments Audits	Services Contract	14/12/2023	£108,922.00	Azets
Bellshill Health Centre Refurbishment	Works Contract	25/01/2024	£99,733.00	MPMH Construction Ltd
Replacement Monorail Hoists WoSL	Supply Contract	05/12/2023	£96,102.00	Jensen UK Ltd
Carluke Health Centre – Internal Alterations	Works Contract	02/02/2024	£89,379.00	MPMH Construction Ltd

Floor Slip Resistance Testing	Services Contract	21/02/2024	£83,000.00	National Testing Services
Supply of Systems Engineer Consultant (interim staffing)	Services Contract	13/03/2024	£50,150.00	Venesky Brown Ltd
Soundproofing Udston Hospital	Works Contract	09/08/2023	£43,171.00	Style Scotland Ltd
Window Cleaning Services	Services Contract	02/02/2024	£43,100.00	Dysart Cleaning Services
Audio Visual Equipment	Supply Contract	06/07/2023	£37,000.00	The Saville Group Limited
Property Valuations	Services Contract	21/12/2023	£26,000.00	Gerald Eve LLP
Storage and Distribution of Oral Health Resources	Services Contract	27/09/2023	£9,177.30	CitySprint (UK) Ltd

Details of all contracts awarded can be viewed in detail on the Health Board's public facing contracts register, which contains information on current and expired contracts and can be accessed at the following link:

https://www.publiccontractsscotland.gov.uk/Contracts/Contracts_Search.aspx?AuthID=AA00297

Review of Regulated Procurement Compliance

A review of regulated procurement activity in the reporting period concluded that all complied with NHS Lanarkshire's published Procurement Strategy for the year 2023-24.

Community Benefit Summary

Wherever practicable, NHS Lanarkshire includes community benefit criteria within its procurements in order to recognise employers who pay the real living wage, employ local people, offer graduate/apprenticeship schemes, and/or are otherwise involved with in improving the economic, health and social wellbeing of their local areas.

As well as assessing the approach to community benefits generally, the award of a contract for the replacement of University Hospital Monklands is expected to deliver very significant community benefits including training, employment and sub-contract opportunities.

Climate Change and Sustainable Procurement Summary

NHS Lanarkshire's [Procurement Strategy](#) embeds climate change and sustainability criteria within all of its regulated procurements. In line with Scottish Government guidance, NHS Lanarkshire works cross functionally to report on its progress towards its sustainability and climate change duties, including through the health board's [Climate Emergency and Sustainability Report](#).

In the reporting year, consideration was given to sustainability and climate change matters in all regulated procurements, with scored award criteria linked to these factors included wherever relevant and proportionate to the subject-matter of the contract.

Supported Businesses Summary

The Public Contracts (Scotland) Regulations 2015 define a supported business as an economic operator 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. In 2023-24, £82,750 was spent with the following supported business:

- Haven Products Limited. Approximately 35% of the Health Board's spend of £236,429 on staff uniforms was sub-contracted to Haven Products Ltd under the terms of the national contract for staff uniforms.

Future Regulated Procurements Summary

During the two financial years following the period covered by this report, NHS Lanarkshire expects to undertake the following regulated procurement activity:

Description of Procurement	Anticipated Procurement Route	Estimated contract value
Laboratories Managed Service Contract	Tender	£160,000,000.00
MKBC/LWBC Principal Supply Chain Partner	Further Competition	£35,000,000.00
Medical Instrument Sterilisation Services	Tender	£30,000,000.00
Police Custody Healthcare and Forensic Medical Services	Tender	£5,000,000.00
M&E Planned & Preventative Maintenance	Tender	£5,000,000.00
Reactive Joinery Measured Term Contract	Tender	£4,000,000.00
Managed Print Service	Further Competition	£2,500,000.00
MKBC/LWBC Construction Services Lead Advisor	Further Competition	£1,500,000.00
Supply of Oral Nutritional Supplements	Further Competition	£1,465,328.00
SiP Provision - Extension	Extension	£1,200,000.00
South ADP Assertive Outreach and Intensive Case Management Support	Extension	£850,000.00
Supply of Defibrillators	Further Competition	£450,000.00
Lease of HGVs for WoSL & Procurement Logistics	Tender	£400,000.00
Ophthalmic Consumables	Tender	£362,000.00
Pressure Relieving Products and Associated Service Provision - Extension	Extension	£312,181.00
Testing and Maintenance of Fire/ Smoke Dampers/ Door Transfer Fire Dampers	Tender	£300,000.00
Pressure Monitoring Sets	Tender	£160,000.00
Supply of Physiotherapy Services	Tender	£158,189.00
South ADP Peer Education Harm Reduction Programme	Extension	£153,034.00
Lease of 4x4 vehicles (Out of Hours GP service)	Further Competition	£120,000.00
Positive Smoke-free Role Models Community Development Programme	Tender	£70,000.00
Legionella Risk Assessment Surveys	Extension	£65,000.00
Washroom and Baby Changing Bin Exchange Services	Tender	£51,000.00

Asbestos Surveys, Re-inspections, Sampling and Air Monitoring & Four Stage Clearance with Certification	Tender	TBC
Community Development Programme	Extension	TBC
Counselling Service - Case Management	Tender	TBC
Heating System Inhibitors	Tender	TBC
NHSL Transport Hub	Tender	TBC
North ADP - Lead Organisation for Research	Tender	TBC
North ADP - Prison Through Care	Tender	TBC
North ADP- Advocacy	Tender	TBC
North ADP- Media Campaign Tackling Stigma	Tender	TBC
North Lanarkshire ADP Individual Placement Support	Extension	TBC
Paediatric Feeds Homecare Service	Tender	TBC
Patient Weighing Scales Calibration	Extension	TBC
Provision of Confidential Counselling Services	Extension	TBC
Remote Temperature Monitoring	Tender	TBC
Road Surfacing Framework	Extension	TBC
Roofing Contractors and Works	Tender	TBC
South ADP - Addressing Children Who Have Been Placed In Care Due To Substance Use	Tender	TBC
South ADP Justice Tender for Prison Related Services	Extension	TBC
South ADP- Navigators Programme	Tender	TBC
Stigma Free Lanarkshire	Extension	TBC
Structured Cabling Services	Extension	TBC
Supporting Individuals and Families Affected by Substance Misuse in North Lanarkshire - Extension	Extension	TBC
Testing and Maintenance of Fire/ Smoke Dampers/ Door Transfer Fire Dampers - Extension	Extension	TBC
Tree Surveys & Works	Tender	TBC
Veterans Peer Support Service	Extension	TBC
Water Management Services	Extension	TBC
Young Person Intensive Support Outreach	Extension	TBC
Distress Brief Intervention third sector delivery services	Tender	£6,193,872.00

Building Contractor Framework	Tender	£1,733,332.00
Lease of Electric Vehicles (PSSD)	Further Competition	£1,424,000.00
Mental Health and Wellbeing Worker Service	Tender	£1,255,105.00
Justice Support South ADP	Tender	£299,590.00
Viral Hepatitis Support Service	Tender	£195,000.00
Orthotic Consumables	Extension	£160,853.00
BBV, Health & Wellbeing Services for BME Community	Tender	£116,667.00
Bed and Patient Lifting Equipment Maintenance	Further Competition	TBC
Framework for Grounds Maintenance, Snow Clearing and Winter Gritting Assistance	Tender	TBC

Cash Savings and Cost Avoidance

NHS Lanarkshire's Procurement service records all savings associated with the procurement and implementation of contracts in a savings tracker. The savings and cost avoidance recorded in the year 2023-24 are shown in the table below.

Procurement	Savings	Commentary
Medical locum savings	£2,054,468	Continued efficiencies from the West of Scotland Neutral Vendor contract including control of the supply market and use of direct engagement model. Note that this is against the backdrop of high overall levels of spend on agency staffing.
Commercial contracts savings	£442,255	Savings from contracting and contract implementation activity including window cleaning/property related services, clinical consumables, and supply of food/provisions.
Imaging Equipment	£54,351	These are avoided costs delivered through the procurement of mobile-x-ray units and other medical equipment.
Grand Total	£2,551,074	

Contract Coverage

A key aspect of the Board's Procurement Strategy is adherence to local, regional and national contracts wherever possible, and accordingly the Board had a 93% contract spend target for year 2023-24. Spend, organised by category and level of contract compliance, is shown below.

Category	Non-Contract	Contract	Grand Total	Compliance	2022-23 Compliance	Yr to Yr Diff
PFI / Hubco Hospitals & Health Centres		£84,431,797.51	£84,431,797.51	100%	100%	0%
Pharmaceuticals	£1,253,532.34	£60,345,205.33	£61,598,737.67	98%	97%	0%
Health & Social Care	£4,264,295.98	£23,503,972.99	£27,768,268.97	85%	89%	-4%
Medical Devices & Clinical Consumables	£3,410,879.79	£23,708,523.17	£27,119,402.96	87%	88%	-1%
Supplementary Staffing	£7,001,944.93	£19,831,683.29	£26,833,628.22	74%	31%	43%
Property & Support Services	£2,741,473.70	£14,177,541.31	£16,919,015.01	84%	89%	-5%
Monklands Replacement Project		£15,411,470.22	£15,411,470.22	100%	New category	
External Medical Services	£392,912.91	£14,917,248.56	£15,310,161.47	97%	97%	1%
Laboratory Equipment & Services	£1,186,847.67	£13,388,768.36	£14,575,616.03	92%	90%	2%
Information Communication Technology	£1,368,950.78	£10,806,568.43	£12,175,519.21	89%	92%	-3%
Utilities & Energy	£18,278.61	£9,278,447.56	£9,296,726.17	100%	98%	2%
Medical Equipment	£535,330.25	£6,986,129.25	£7,521,459.50	93%	96%	-3%
Food, Beverage & Catering	£374,583.39	£3,309,106.02	£3,683,689.41	90%	93%	-3%
Instrument Sterilisation Services		£2,739,872.21	£2,739,872.21	100%	100%	0%
Spend with Public Sector Bodies		£2,445,460.38	£2,445,460.38	100%	100%	
Taxis / Patient Transport	£209,144.19	£2,202,859.54	£2,412,003.73	91%	87%	5%
Vehicles	£14,932.60	£2,152,719.66	£2,167,652.26	99%	99%	0%
Professional Services	£189,678.62	£1,448,099.20	£1,637,777.82	88%	98%	-10%
Other Goods & Services	£1,395,726.42	£106,480.97	£1,502,207.39	7%	4%	3%
Postal & Courier Services	£5,683.60	£1,380,859.97	£1,386,543.57	100%	100%	0%
Education		£1,210,769.97	£1,210,769.97	100%	100%	0%
Professional Bodies / Associations	£986,748.81		£986,748.81	0%	0%	0%
Stationery & Office Products	£31,152.58	£614,911.20	£646,063.78	95%	92%	3%
External Print / Promotional	£99,818.59	£503,621.41	£603,440.00	83%	80%	4%
Furniture	£20,830.36	£435,828.38	£456,658.74	95%	99%	-3%
Insurance Services		£412,873.21	£412,873.21	100%	New category	
Staff Uniform & Clothing		£324,808.79	£324,808.79	100%	98%	2%
Training	£250,078.09	£5,750.00	£255,828.09	2%	6%	-4%
Marketing & Media	£140,970.40	£24,958.00	£165,928.40	15%	73%	-58%
Travel & Accommodation	£114,821.14		£114,821.14	0%	0%	0%
Occupational Health Related	£4,535.00	£116,518.00	£121,053.00	96%	89%	7%
Translation & Interpretation Services	£1,323.10	£86,220.68	£87,543.78	98%	100%	-1%
Grand Total	£26,014,474	£316,309,074	£342,323,547	92.4%	88.2%	4.2%

Compared to the prior financial year, contract compliance increased 4.2% to 92.4% in 2023-24. Driving this improvement was increased use of framework suppliers for supplementary staffing, an area which received focus during the year following the Scottish Government's DL (2023) 05 on supplementary staffing controls.

Spend within Lanarkshire

Local spend data is analysed using the Scottish Procurement Information Hub, which uses the postcode of the supplier's registered address to determine its local authority area.

Summary

Local Authority	Total Value
North Lanarkshire	£21,314,585
South Lanarkshire	£10,289,471
NHS Lanarkshire total	£31,604,056

Against a total analysed spend of £342,323,547, the percentage with Lanarkshire based suppliers was 9.2%. As a percentage of overall spend this is similar to 2022-23, but in absolute terms represents an increase of around £3.9 million in 2023-24.

Top 10 Suppliers by Local Authority Area

North Lanarkshire

Supplier Name	Total Value
Hub Sw Nhs! Sub Hub Co Limited	£5,259,559.15
TPS HEALTHCARE GROUP	£2,898,564.68
St Andrew's Hospice	£2,796,228.26
Cumbernauld Care Home	£1,993,844.52
Four Seasons Health Care	£1,200,991.17
Voluntary Action North Lanarkshire	£1,030,153.00
Murdostoun Birc	£1,005,422.89
Graham Marshall & Son	£758,209.59
LANARKSHIRE LINKS	£679,050.00
DMA Canyon Ltd	£640,533.89

South Lanarkshire

Supplier Name	Total Value
Phoenix Healthcare Distribution Ltd	£2,334,282.70
Kilbryde Hospice	£1,609,881.04
Lanarkshire Assoc For Mental Health	£678,720.91
RAM 225 LTD	£599,498.72
OTICON LTD	£582,760.73
ECG FACILITIES SERVICES	£375,607.67
Liber8 Lanarkshire	£372,009.71
Regen Fx Youth Trust	£367,210.50
William Davidson Plumbers Limited	£315,994.61
Healthy Valleys	£278,579.00

Annex A - Annual Procurement Report template

[NOTE: reference to contract is also to be construed as meaning a framework agreement]

1. Organisation and report details	
a) Contracting Authority Name	Lanarkshire Health Board
b) Period of the annual procurement report	1 April 2023 to 31 March 2024
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
2. Summary of Regulated Procurements Completed	
a) Total number of regulated contracts awarded within the report period	34
b) Total value of regulated contracts awarded within the report period	£535,646,909
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	51
i) how many of these unique suppliers are SMEs	32
ii) how many of these unique suppliers are Third sector bodies	5
3. Review of Regulated Procurements Compliance	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	34
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
4. Community Benefit Requirements Summary	
Use of Community Benefit Requirements in Procurement:	
a) Total Number of regulated contracts awarded with a value of £4 million or greater.	3
b) Total Number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	3
c) Total Number of regulated contracts awarded with a value of less than £4 million that contain Community Benefit Requirements	26

Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:

d) Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	0
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	£82,750
k) Other community benefit(s) fulfilled	A range of community benefits is expected from the construction contract for Monklands Hospital replacement which was awarded during the period.

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that included a Fair Work First criterion.	30
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	15
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract during the period.	15

6. Payment performance

- a) Number of valid invoices received during the reporting period.
- b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)
- c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.
- d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.

225,624

93.7%

34

0

7. Supported Businesses Summary

- a) Total number of regulated contracts awarded to supported businesses during the period
- b) Total spend with supported businesses during the period covered by the report, including:
- i) spend within the reporting year on regulated contracts
- ii) spend within the reporting year on non-regulated contracts

0

£82,750

£82,750

-

8. Spend and Savings Summary

- a) Total procurement spend for the period covered by the annual procurement report.
- b) Total procurement spend with SMEs during the period covered by the annual procurement report.
- c) Total procurement spend with third sector bodies during the period covered by the report.
- d) Percentage of total procurement spend through collaborative contracts.
- e) Total delivered cash savings for the period covered by the annual procurement report
- f) Total non-cash savings value for the period covered by the annual procurement report

£342,323,547.42

£143,979,274.26

£15,267,890.63

52%

£2,496,723

£54,351

9. Future regulated procurements

- a) Total number of regulated procurements expected to commence in the next two financial years
- b) Total estimated value of regulated procurements expected to commence in the next two financial years

60
£260,061,818.00