

Supplier Guide

NHS Scotland Procurement

Working together for the people of Scotland.



Gordon Beattie

Director of National Procurement, NHS National Services Scotland (NSS)

Procurement plays a crucial role in addressing some of the most significant challenges of our time. It is instrumental in supporting NHS Scotland's net zero ambitions and has the potential, through its spending power, to create substantial social impact, enhancing the wellbeing of the communities we serve.

All of this work is underpinned by our Procurement Strategy 2024-2028: [NHS Scotland Procurement Strategy, 2024 - 2028 on the NSS website](#).



This framework is designed to ensure that the products and services we procure not only meet our clinical and operational needs but also advance our goals for environmental, social, and economic sustainability.

It is the cohesive framework that aligns our procurement practices across NHS Scotland and Scotland's broader public services, supporting key themes such as:

- being good for businesses and their employees
- being good for patients
- being good for society
- being good for places and communities
- being good for our workforce
- fostering openness and connectivity

Central to our work has been a focus on service excellence and sustainability. This means that our services not only enhance patient care but also contribute to the overall quality and value of the wider health and care system. By embedding sustainability in all we do we ensure the decisions made today will bring positive long-term impacts.

With an annual spending power of approximately £3.8 billion, NHS Scotland has a significant role to play in driving sustainability. How we utilise this spending power is crucial to supporting a sustainable health service, maximising value, and delivering benefits for our patients, staff, and communities.

NHS Scotland's Procurement Services

NHS Scotland spends over £3.8 billion per annum on goods, services, equipment and medicines.

The majority of this expenditure is managed by our procurement services and pharmacy colleagues. Our procurement services consist of a National Procurement organisation plus health board based Procurement teams.

We work collaboratively to provide best quality, fit for purpose and best value commercial solutions, weighing up cost and driving added value for Scotland's health, economy, and sustainable outcomes.

National Procurement

National Procurement (NP) is Scotland's largest procurement organisation, buying and supplying items that keep Scotland's hospitals running. As a national service for Procurement in Health we lead and support the healthcare procurement sector in Scotland. Health boards and suppliers work with us to encourage and identify solutions and improvements that can continue to evolve healthcare for the benefit of Scotland's patients and communities.

National Distribution Service

NP is also the home to the largest public sector logistics operation in Scotland. Our warehouse, customer service and supply chain operations provide a consolidated service to benefit customers, suppliers and the public. This part of the service supplies approximately 80% of the products used every day in wards and theatres across Scotland.

Our health board Logistics teams deal with the 'final miles' and all direct supplier goods, ensuring the products vital to patient services are available when required.

Health board Procurement

Health board Procurement teams arrange health board-specific contracts for unique requirements and local services. They also help NP create the commercial arrangements needed for commonly used goods and some services and manage the implementation and change management to deliver best solutions.

Across our procurement services, providing and enabling a trusted service and quality supply delivery is our day job. Beyond this, we focus on where our respected partnerships can provide added value benefit and make a real difference to Scotland's national outcomes.



1. For patients

Person-centred care is at the very core of NHS Scotland. Across procurement, we work with clinicians, technical experts, and industry innovators to make a difference. Everything we procure aims to positively enhance the experience and outcomes of those within our care: from technologies that help support patient care in the home environment; to ensuring quality of supply that supports care and safety of patients; to the provision of food supplies that meet the right nutritional standards to support patient health.

2. For Scotland

The scale at which NHS Scotland procures brings huge potential for delivering wider benefits. From job creation to sustainable resources, we work with partners to grow our economic, environmental and social influence. The significant advantages of a circular economy will be central to what we achieve in the years to come. We want to work with suppliers who believe they can help NHS Scotland drive greater community and societal value – this can include job creation, investing in supported businesses, or helping reduce waste across the supply chain.

3. For the future

National Procurement aims to be at the centre of the transformation of healthcare. We want to welcome and encourage businesses who believe they can innovate to develop the game-changing potential for the future of healthcare. Innovation is a way of thinking. Our suppliers know that sometimes even small ideas can make a big difference. The Scotland Innovates service provides a landing zone for current and potential suppliers looking to promote new ideas for innovative products or services.

The service provides potential suppliers with information on innovation and development of products and technologies, while advertising useful opportunities such as innovation challenges for industry and academia, and funding routes to assist innovators to be assessed for the Scottish public sector.



Case studies

The future of NHS Scotland's energy supply

NHS Scotland (NHSS) National Procurement (NP) is leading efforts to move towards a more environmentally and financially sustainable energy supply for NHSS. NP knows that the climate is also a health emergency – so any action to help tackle climate change can also help improve people's health and wellbeing. That's why the future of NHS Scotland's energy supply is so important. One of the ways NP is leading this change is to explore Power Purchase Agreements (PPAs) for Scotland's health boards.

In addition to the publication of Prior Information Notices (PINs) for Power Purchase Agreements (PPAs) associated with proximate off-site and on-site renewable energy installations, the establishment of a Dynamic Purchasing System (DPS) for corporate 'sleeved' PPAs will offer health boards enhanced procurement pathways to engage with large-scale renewable energy generators. The DPS framework facilitates the flexible onboarding of both new market entrants and existing suppliers, contingent upon successful completion of the Pre-Qualification Questionnaire (PQQ) stage, thereby promoting competitive supply and market dynamism.

This initiative is just one of the many ways NP is looking to achieve longer-term sustainability and help NHS Scotland meet its climate targets. This can be achieved through quality and consistent partnerships with private sector businesses that value action to reach net-zero emissions. The products and services procured by NHS Scotland's account for 60% of its carbon footprint, so NP has a key role to play in reducing overall carbon emissions. By procuring renewable energy solutions through PPAs, NHS Scotland aims to reduce energy costs and develop income generation schemes for the health boards, all while achieving their sustainability goals.



Cross-Board Collaboration: Transforming Waste Management in NHS Scotland

One year ago on April 1 2024, NHS Scotland launched its new Recyclates and General Waste Management framework, designed to address the non-clinical waste management needs across NHS Scotland.

Managing waste on the scale of the NHS Scotland estate is a complex task. The framework encompasses 15 waste categories, including textiles, metal, cardboard, glass, food and confidential waste, all commonly found across NHS Scotland hospital sites.

Non-clinical waste is generated daily by staff, patients and visitors to Scotland's hospitals. The framework mandates that suppliers provide precise waste data by weighing the waste collected from each health board and reporting this back to the contract manager.

Given the diverse range of non-clinical waste needs, the framework also requires a diverse range of supplier expertise to support NHS Scotland's waste management. Many of the appointed framework contractors are small and medium-sized enterprises (SMEs), recognising the range of expertise across SMEs in managing the diversity of NHS Scotland's waste types. The framework also allows for SMEs to be directly appointed as suppliers rather than working as subcontractors.

By segregating waste streams and leveraging local supplier expertise, health boards are working directly with suppliers to find innovative ways to reuse waste materials.

The new framework also supports targets set for each health board in the [NHS Scotland Climate Emergency & Sustainability Strategy 2022 – 2026](#) and individual health board waste reduction targets.

The framework is the result of the collaboration and knowledge sharing between NSS National Procurement Estates and Facilities, NHS Scotland Assure, NHS Scotland's network of Waste Management Officers, the Scottish Government, Zero Waste Scotland, RMAS (Resource Management Association Scotland) and NHS Scotland waste contractors.



Community Benefit Gateway

Connecting NHS Scotland suppliers with third sector organisations to **reduce health inequalities** and **improve wellbeing in communities**



Watch the third
sector video

www.nss.nhs.scot/procurement-and-logistics/sustainability/access-our-community-benefit-gateway/



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Working together for the people of
Scotland

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Contacts

NHS National Services Scotland (NSS) contacts:

To learn more about National Procurement visit [our home page](#) and [services page](#) on the NSS website.

You can contact us via the [National Procurement contact page on the NSS website](#).

@NHSNSS and @NHSScotProc

NHS National Services Scotland, Gyle Square, 1 South Gyle Crescent,
Edinburgh EH12 9EB