

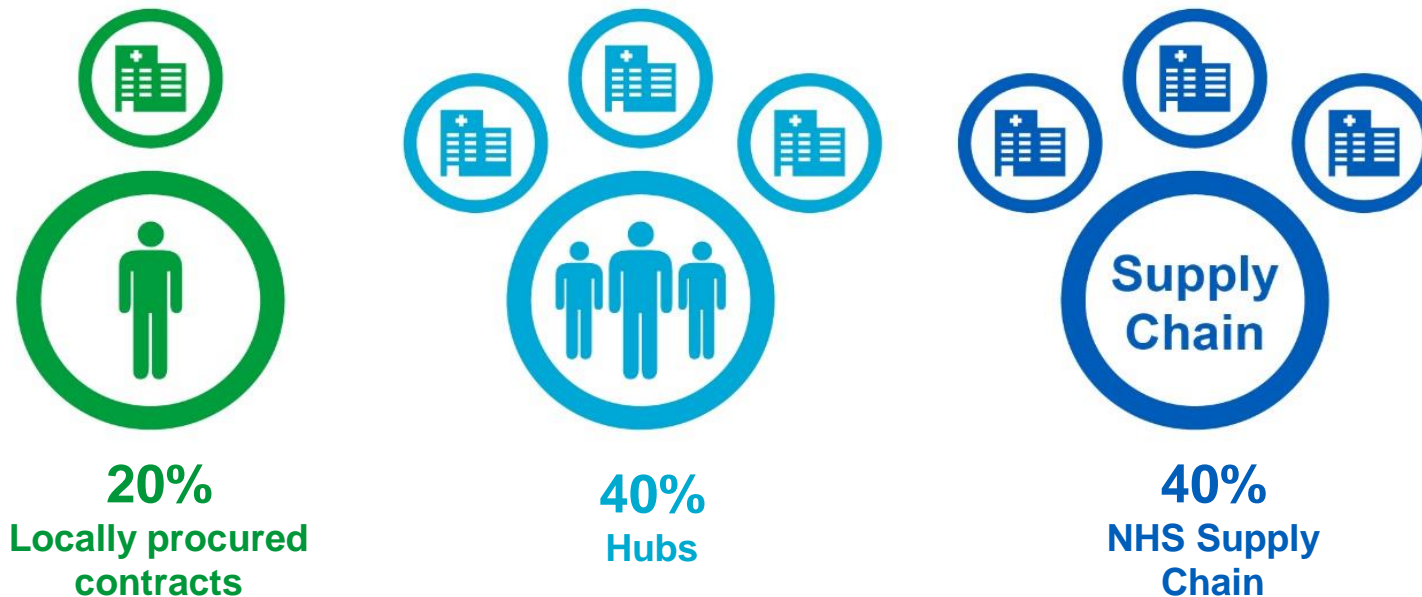
NHS Supply Chain Presentation Cumbria Chamber Event

Martin Toomey – Sustainability Manager



Previous NHS Procurement Landscape at April 2018

The NHS spent **£5.7 billion** on everyday hospital consumables, common goods, high value healthcare consumables and capital medical equipment with only **c.40%** going through NHS Supply Chain

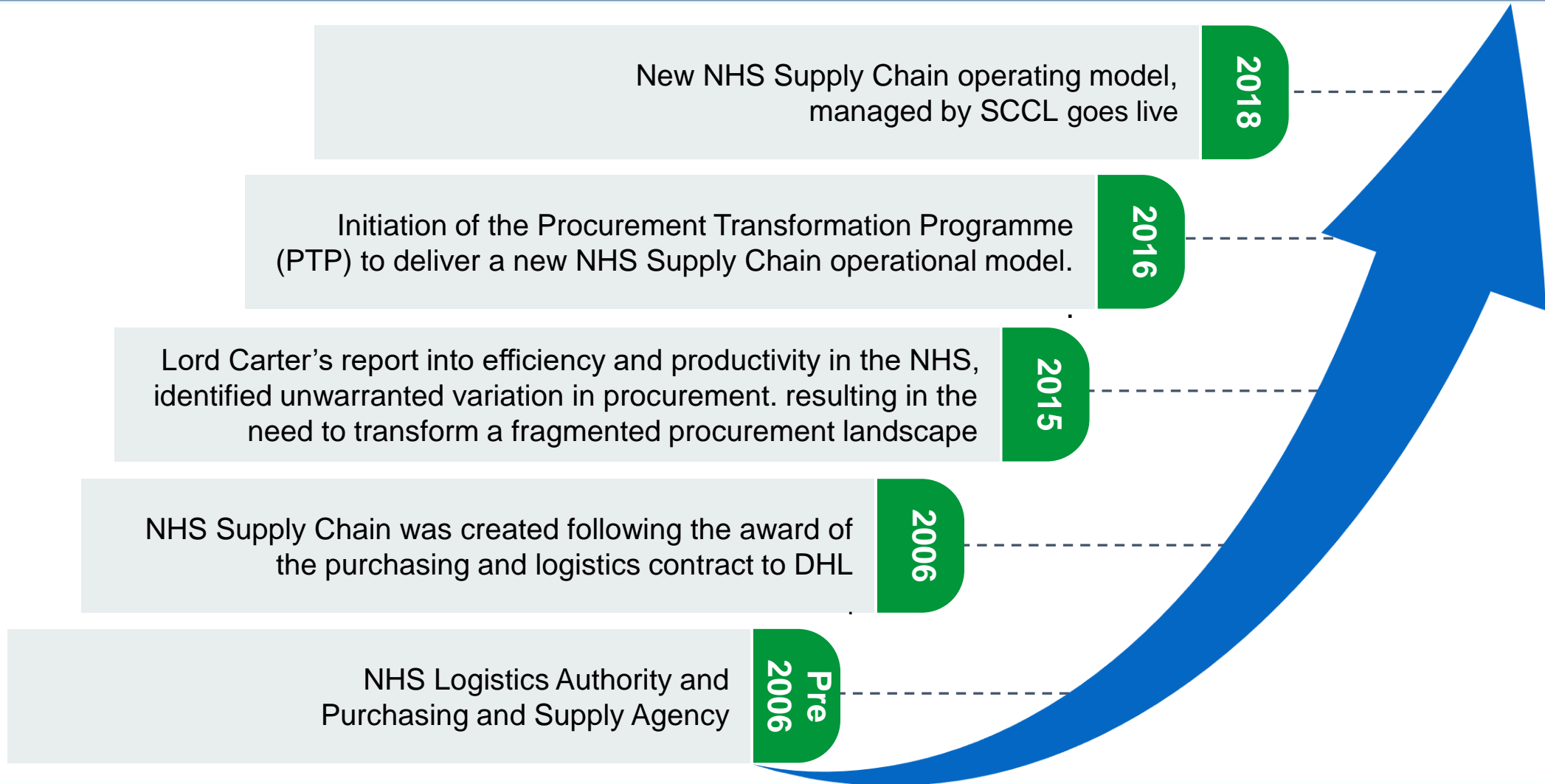


Pre April 2018

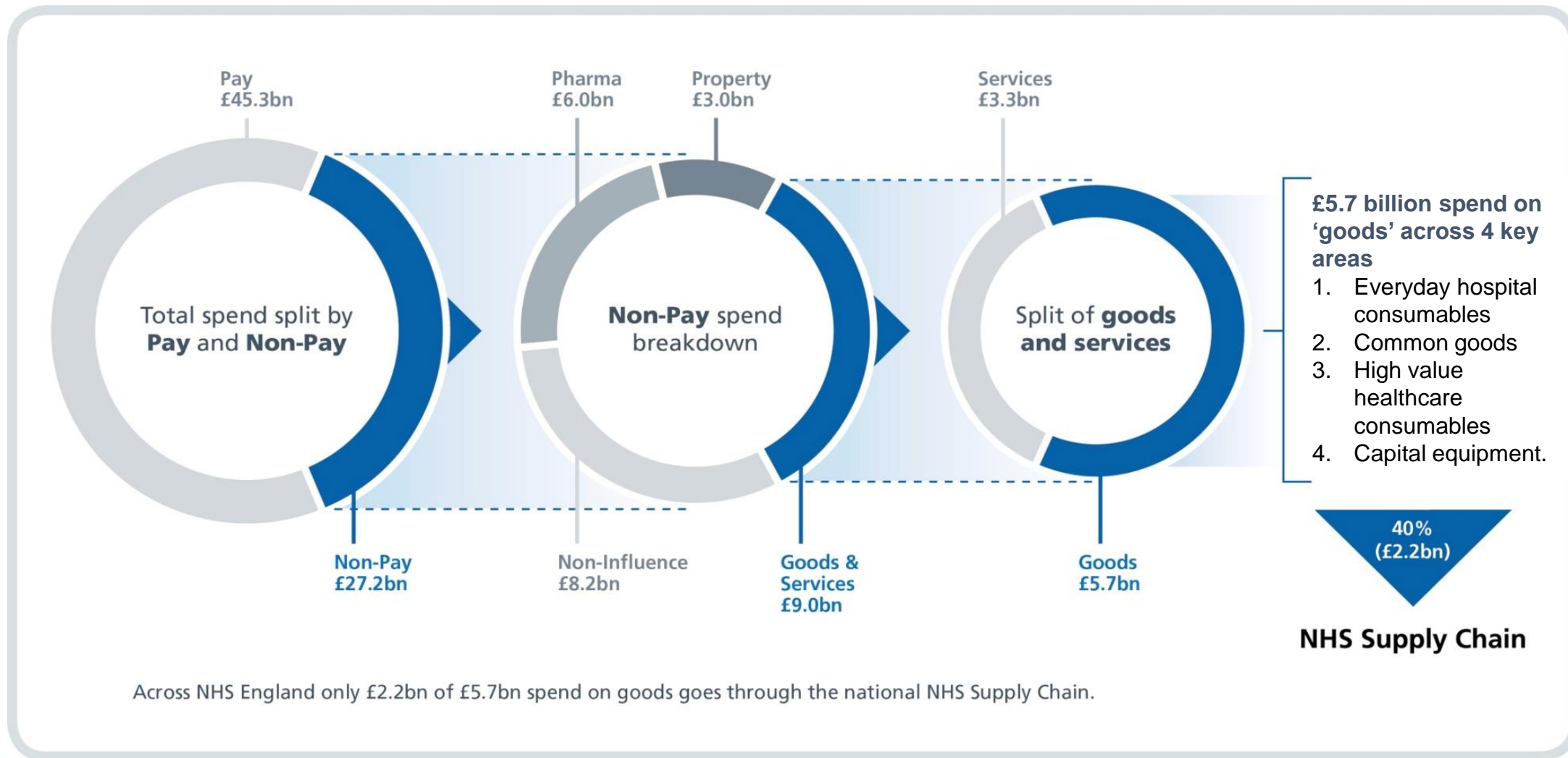
Main issues

- NHS unable to leverage its buying power
- Fragmented supply chain
- Variable pricing of products
- Variable clinical evaluation and assurance
- Complex procurement and supplier landscape
- Competition for resources

Evolution of NHS Supply Chain



Breakdown of spend on goods



Across NHS England only £2.2bn of £5.7bn spend on goods goes through the national NHS Supply Chain.

Aims of NHS Supply Chain and benefits

The new NHS Supply Chain was designed to help the NHS deliver clinically assured, quality products at the best value, through a range of specialist buying functions. Its aim is to leverage the buying power of the NHS to negotiate the best deals from suppliers and deliver savings of £2.4 billion back into NHS frontline services by the end of the financial year 2022/23.

The benefits are:

Customers



Savings channelled back to frontline services



Releasing more time for core clinical activities



Greater NHS clinical involvement in purchasing decisions



More effective introduction of new products.

Suppliers



Lowering sales and marketing costs



Single route into the national market



A joined-up approach across the NHS



Clear route for innovative products.

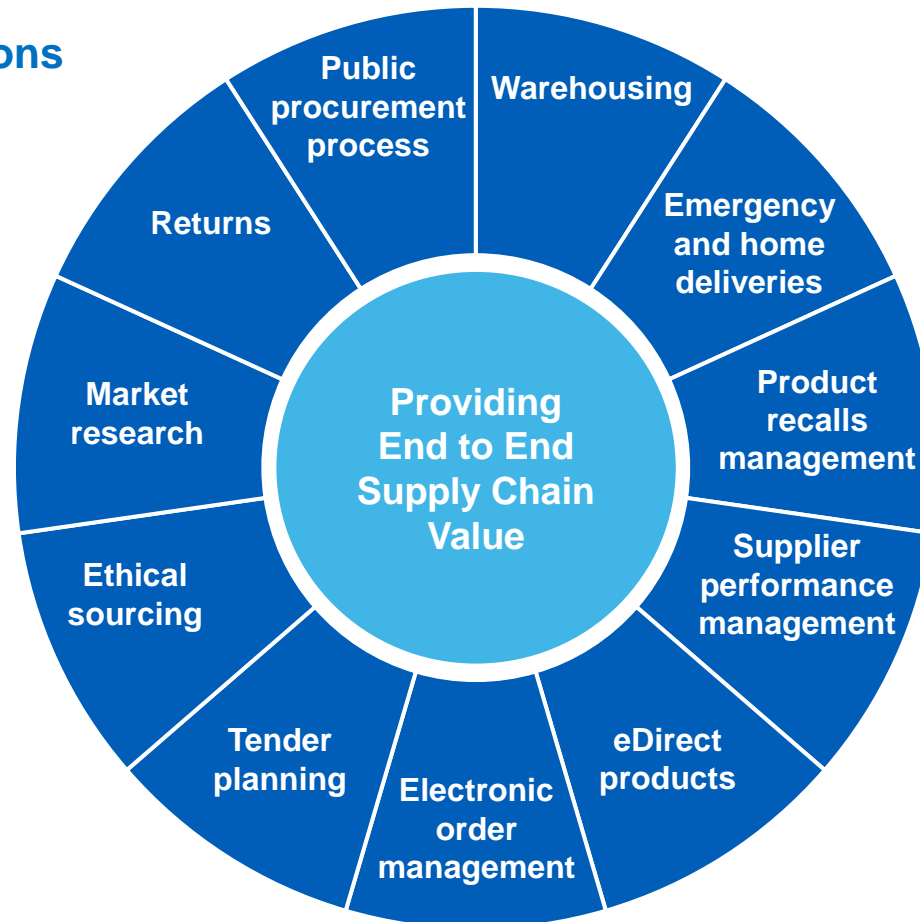
Scale of Our Operation



Delivering End to End Supply Chain Value

Integrated Supply Chain Solutions

- Procurement Services
- Logistics Services
- Supply Chain Services
- Patient Services.



Benefits

Consolidated ward box service to **119,947** req points.

Weekly billing to help simplify trust finance processes:

- stocked products (**11,000**)
- Blue Diamond products (**64,500**).

Reduction in the number of supplier vehicles.

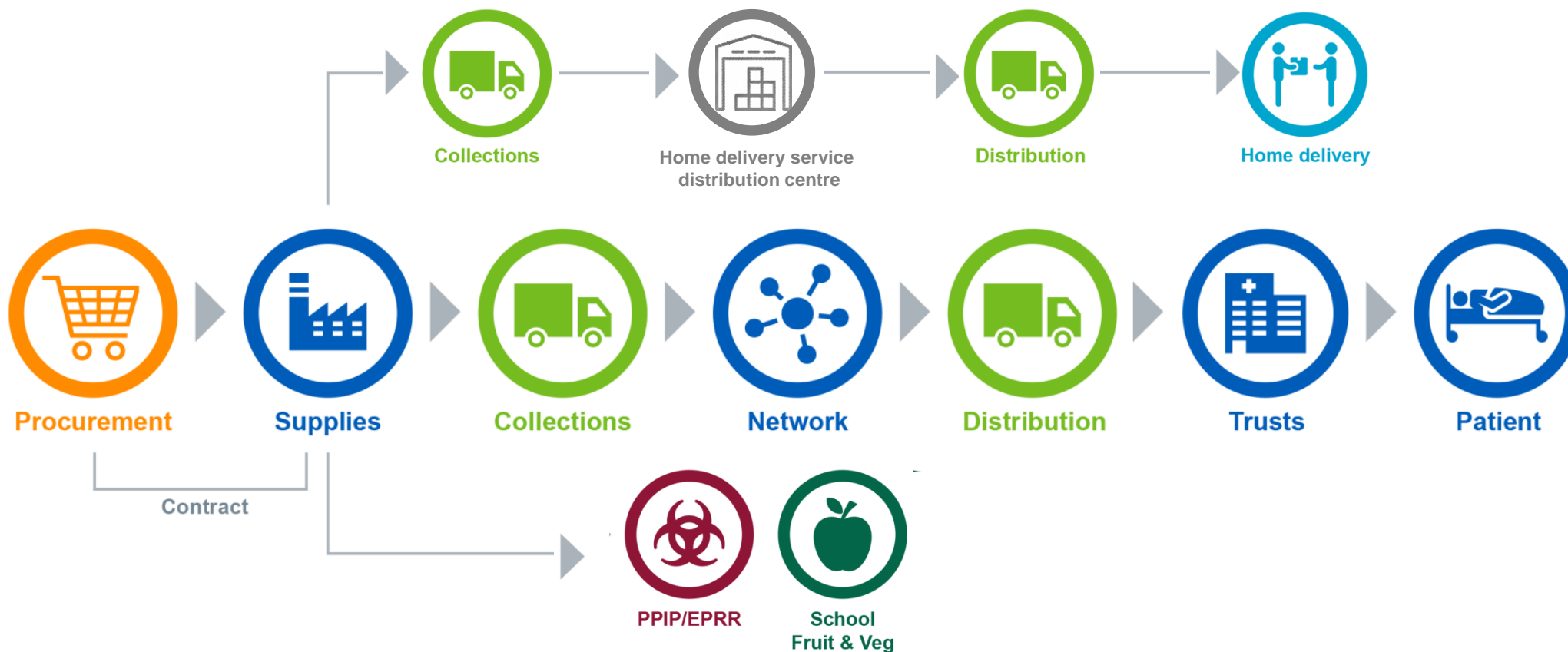
Out of hours emergency response for urgent orders.

Delivering to **17,465** locations.

c10,000 individual HDS deliveries weekly.

Over **300,000** patients receiving HDS for continence products.

Journey of a product



Our Six Priorities

Using our scale and expertise, NHS Supply Chain supports the developing NHS landscape and delivers the following for trusts:



NHS Supply Chain 2021/2022 Business Plan

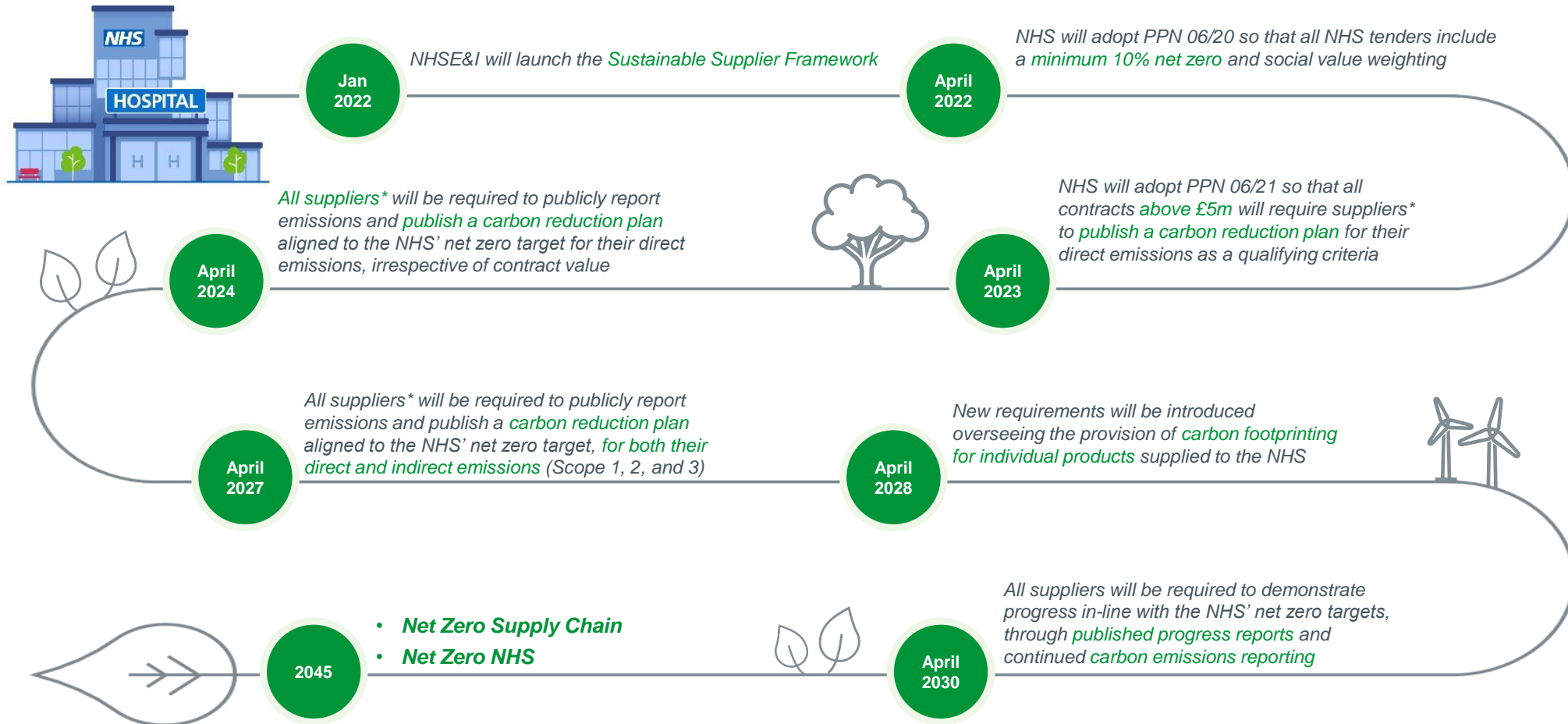
Delivering safety, sustainability and £300m of savings to the NHS



Enabled by our Transformation Programme



Sustainability - building net zero into NHS procurement



**To account for the specific barriers that Small & Medium Enterprises and Voluntary, Community & Social Enterprises encounter, a two-year grace period on the requirements leading up to the 2030 deadline, by which point we expect all suppliers to have matched or exceeded our ambition for net zero.*

Our Four Strategic Pillars To Deliver Sustainability

We are committed to leveraging the strength of our people, our operations and our supply chain to drive better health outcomes and create sustainable economic, social and environmental value for our stakeholders.



Labour Standards

Upholding and promoting the basic rights and freedoms of those who work across the entirety of NHS Supply Chain.



Waste and Circular Economy

Management of waste across the entirety of NHS Supply Chain.



Single Use Plastics

The use of plastics across NHS Supply Chain, as well as the cumulative impact of these components and products on the environment.



Climate Change, Energy and CHG Emissions

NHS Supply Chain's holistic response to climate change, air pollution and the carbon agenda.



Playing a Key Role in the NHS Procurement Landscape

Vision



- Drive maximum value back to the NHS
- Deliver procurement and supply chain excellence
- Meeting customer and patient needs and delivering value for money through collaboration, standardisation and resilience

Operating environment



- Now part of the NHS
- Evolving landscape - Integrated Care System (ICS) – moving from a commercial transaction to a partnering mindset
- Working closely with PTOM to ensure joined systems thinking

Enablers



- Category Management Expertise
- Network Optimisation
- S&OP Demand / Supply Forecasting
- Data, Technology and Performance
- Social value, Sustainability and UK Market
- Process Standardisation
- People, Organisation, Capability and Culture

Current Operating Model - "Category Towers"



What we do / our Stakeholders

- Suppliers:

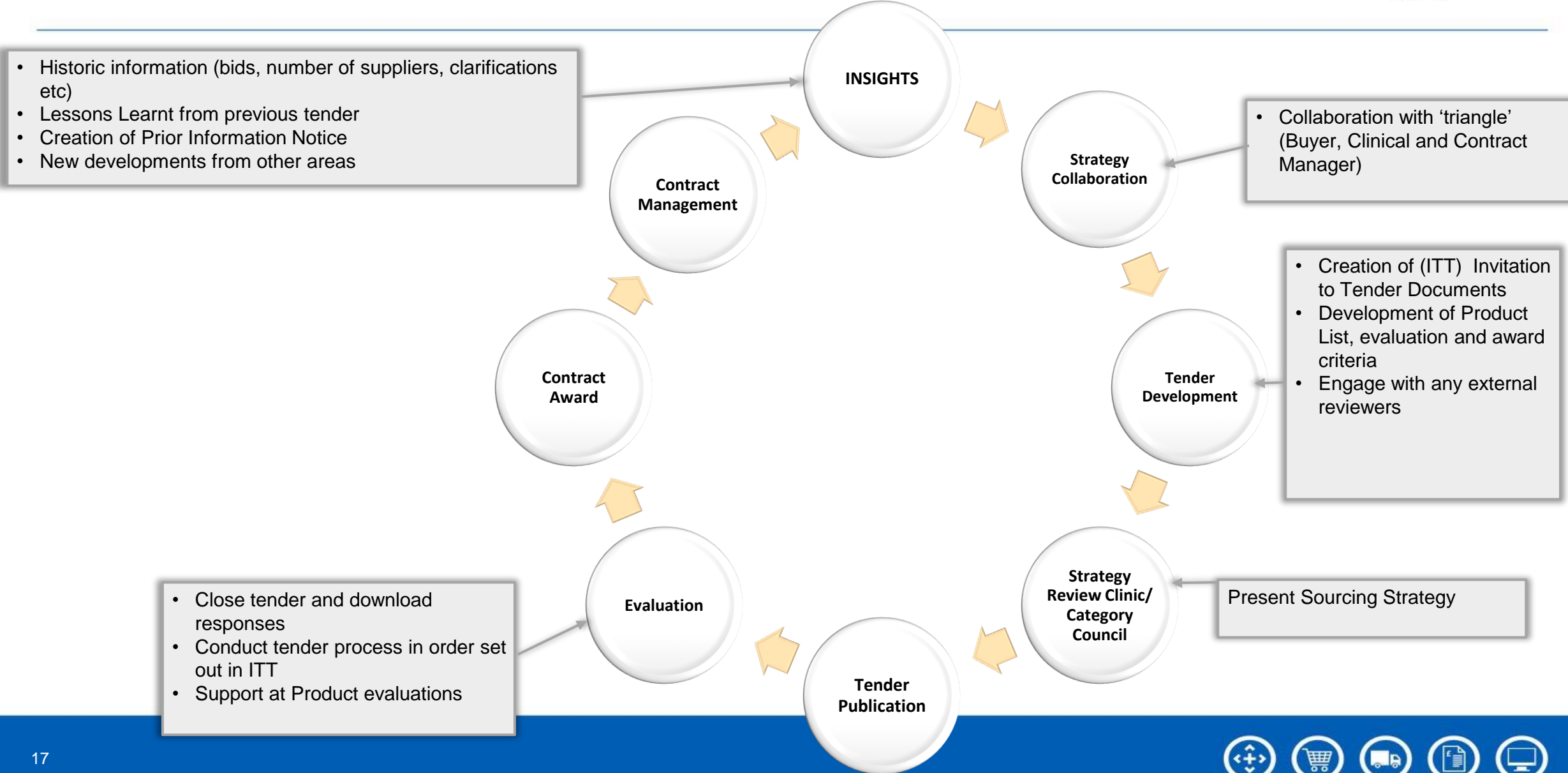
- New tenders:
 - Prior Information Notices (PIN) / Request for Information (RFI)
 - Specification development. Wide engagement up to tender being issued
 - Pre-tender webinars
 - Tender Portal: 'Jaggaer'
- Contracts Finder: <https://www.gov.uk/contracts-finder>
- 'In Contract'
 - Supply; Range management; Savings opportunities.
 - Innovation – New product developments; Sustainability initiatives.

- Customers:

- Clinicians
- Procurement teams
- Waste Managers, for example. Presentations to NHS organisations
- Lead Reference Trusts - Sounding board for us. Provide input/direction. 'Signs-off' awards.

- **Other External Stakeholders:**
 - o DHSC and PPE Cell
 - o NHSEI
 - o Royal College of Nursing
 - o Infection Prevention Society (IPS)
 - o Consultants and Industry specialists
 - o Test Labs
- **SCCL** (Category Tower Managers, Customer Relationship Managers, Clinical Nurse Advisers, CaPA)
 - o Sourcing/Category Strategy approvals
 - o Award approvals (post-tender)
 - o New Framework launch process.
 - o Webinar 'informs' to CRM's on range of topics. Savings opportunities.
 - o Important Customer Notices (ICN's)
 - o Day-to-day systems changes
 - o Tower measured against various KPI's
 - o Support with SCCL's own KPI's and objectives

Contracting Cycle



Further engagement and our Procurement Calendar

- Central email contact to our Supplier Relationship Management Team - suppliers@supplychain.nhs.uk
- Resources accessible via our website (www.supplychain.nhs.uk)
 - Dedicated [Supplier information](#) pages
 - Access to our [Procurement Calendar](#)
- Our Procurement Calendar currently details around 40 opportunities over the next 12 months
 - Specific examples coming to the market include re-usable PPE
 - May highlight opportunities for you to engage with other Tier 1 suppliers
- Additional trade body engagement via our Supplier Board
- Provide you with contacts for Contracts which are outside our remit – Estates and Maintenance for example.
- Once an awarded supplier, regular interaction, resources and communication channels

Summary - benefits of dealing with NHS Supply Chain



We have delivered over £1.2bn in cumulative savings back to NHS trusts.



We have played a key national role in assuring clinical procurement practises, and supporting patient safety.



We have sustained delivery service levels at over 99% to Acute trusts.



We have successfully implemented buy price=sell price, providing price transparency to customers.



We have actively addressed unwanted variation in reducing the number of SKU's by 200,000.



We have achieved Investors in People Standard accreditation within the first year of the entire model going live.



We have grown market share from 40% to 60%.



We have a new sustainable fleet of vehicles supporting our aim of creating a long-term carbon neutral fleet.



We have played a key national role in assuring clinical procurement practises, and supporting patient safety.



We have been recognised industry wide, winning numerous awards including SHD Logistics, GO, Supply Chain Excellence, Government Commercial Function.



“NHS Supply Chain is part of the NHS family, here to support you and your teams to deliver a resilient national procurement and supply service, providing clinically assured products at best national prices”

Contact Us

suppliers@supplychain.nhs.uk

Supply Chain Coordination Limited

Equinox House

Nottingham

NG2 4LA

Twitter: @NHSSupplyChain

www.supplychain.nhs.uk