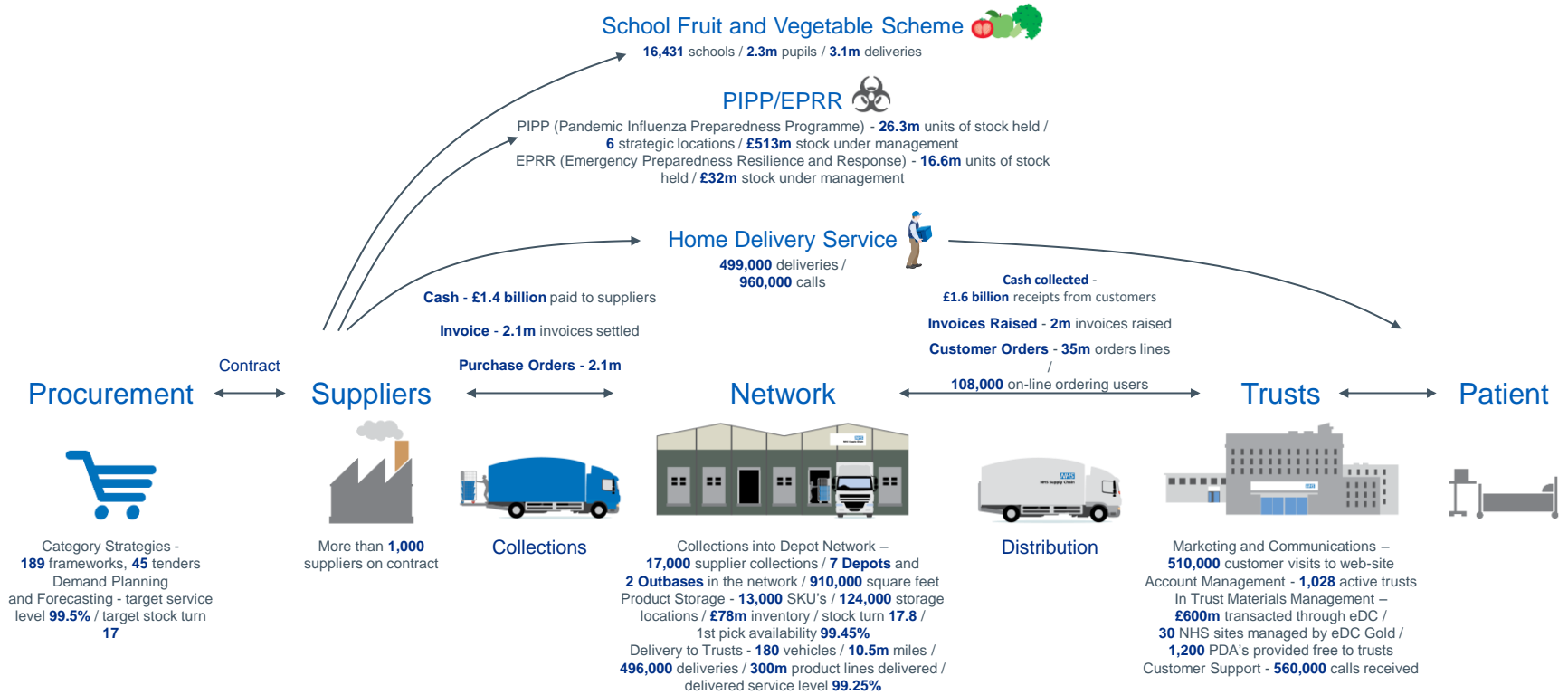


CVD Prevention Webinar Series  
NHS Supply Chain  
9th March 2017

# NHS Supply Chain Map



### Finance

- **108 staff**
- Full accounting services
- Transactional services
- Savings and Financial reporting
- **£3 billion** cash transacted annually
- Inhouse Compliance Function



### IT

- **92 staff**
- Fully Integrated Fulfilment Platform
  - Order to Cash
  - Purchase to Pay
  - Supply Chain Management
  - eCommerce
- Internal Development team for eCommerce applications
- **6m** product data changes
- **1.3m** price changes



### HR

- We have **six** HR Business Partners for **2,400 staff**
- HR Services supplied by "DHL People Services"
  - Resourcing and Recruitment Centre
  - Data Services
  - Reward Services
  - People Performance Management
  - Training Solutions



### Project Management

- Projects and Programmes – **22 staff**
- PRINCE2 and MSP Qualified
- **6** Strategic Programmes
- **60** Live projects at any one time



### Capital

We managed the procurement of **15,000 pieces of medical equipment** with a **value of £440m** in 2016.

#### Maintenance

We procure and transact service contracts for circa **80,000 NHS assets** to the **value of £200m**.

In 2006, an Agreement was made between the NHS Business Services Authority (NHSBSA) and DHL Excel Europe Limited for the management of NHS Logistics which was outsourced on behalf of the Department of Health (DH).

This business now provides a procurement and logistics service to the NHS known as NHS Supply Chain and operated by DHL under the terms of a Master Services Agreement (MSA). Annual expenditure through this business is currently £2 billion per annum.

The agreement is overseen by the NHSBSA Supplier Management (SM) Team based at Mansfield in Nottinghamshire which is close to the NHS Supply Chain Head Office at Alfreton.

The contract is for 10 years and became effective on 1st October 2006. As part of the agreement to extend the contract revised terms will commence from 1 October 2015 and operate for three years until 30 September 2018.

Further details can be found at:


- NHS Supply Chain Contract Extension

[www.nhsbsa.nhs.uk/CommercialServices/5217.aspx](http://www.nhsbsa.nhs.uk/CommercialServices/5217.aspx)



- Master Services Agreement - [www.nhsbsa.nhs.uk/CommercialServices/4944.aspx](http://www.nhsbsa.nhs.uk/CommercialServices/4944.aspx)

- Service Statistics - [www.nhsbsa.nhs.uk/CommercialServices/4946.aspx](http://www.nhsbsa.nhs.uk/CommercialServices/4946.aspx)



# Customer online ordering and contact



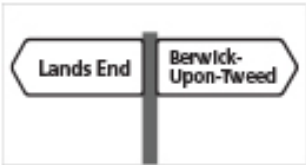

Account Managers



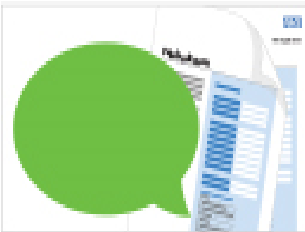

Clinical Nurse Advisors




Contact Customer Services



NHS Supply Chain Locations



Feedback Form



Website Research Group



Contact us



# NHS Supply Chain Customers

As the appointed national procurement and logistics provider, our master services agreement with the NHS BSA, permits NHS Supply Chain to support:

- NHS Service Provider Organisations contracted to provide healthcare services and guarantee to only use products on those contracts
- NHS organisation with over 50% funding by the NHS (such as most GPs)
- Wider public sector - public sector health related customer, e.g. local authority, MOD, prison, school (home countries)
- Private greater than 50% NHS business activity provider has greater than 50% of NHS business activity
- Private less than 50% NHS business activity provider has less than 50% of NHS business activity
- Private profit making organisations using health care services to achieve core purpose profit e.g. Spire, Bupa, BMI and non-NHS Dentist
- NHS Service Provider Organisations contracted to provide healthcare services and guarantee to only use products on those contracts
- Purchases with charitable funds eligible organisations to benefit from VAT zero rating on medical/scientific items.

## National procurement and logistics provider (NHS Supply Chain) benefits

- National frame work agreements with many suppliers – no need to tender
- Time, administration, resource and savings
- Purchase process can be quicker with Framework pricing
- Flexibility to re-open competition
- Bespoke pricing
- Supplier maintains clinical relationship with the customer
- NHS Supply Chain procurement maintains financial relationship with suppliers
- Legal support
- NHS Relationship
- Work in partnership with the NHS BSA

# Point of care testing and blood glucose

Current framework awarded Feb 2013 to Feb 2017

Product lots	Sales Split	
	Community	Acute
Blood Gas Analysis	1%	99%
Cardiac Markers	28%	72%
Coagulation	39%	61%
Cholesterol	59%	41%
Diagnostic Rapid Test Kits	20%	80%
Drugs of Abuse	93%	7%
HBA1c	4%	96%
Multi Test Analysers	8%	92%
Single Test Analysers	1%	99%
Urinalysis	35%	65%
Blood Glucose	45%	55%

Currently separate framework for blood glucose intend to combine into one new framework

# Point of care testing and blood glucose

## 26 suppliers currently awarded

Abbott Laboratories Ltd	Life Scan
Alere Ltd	Nova Biomedical
Beacon Healthcare Ltd	Radiometer Ltd
BHR Pharmaceuticals Ltd	Roche Diagnostics Limited
Biomerieux UK Ltd	Siemens Health care Ltd
Bio Rad Laboratories Ltd	Sure Screen Diagnostics
Biosure Ltd	Williams Medical Supplies
Alere Toxicology Ltd	Chirus Ltd
Home Health (UK) Ltd	Elitech UK Ltd
Labcare Diagnostics Ltd	Werfen Ltd
Launch Diagnostics Ltd	Menarini
Pasante Health care Ltd	Randox Laboratories Ltd
Una Health Ltd	Sterilab Services



# Point of care testing and blood glucose

- 2016 Sales £9.3m up 28% YoY
- 2015 - 2017 Savings £1.2M
- 64% national sales and 36% regional sales
- 380 plus trusts purchase through frameworks both acute and community
- Point of care acute and community market £100m plus

# Initiatives

- Collaborative relationship with customers and suppliers
- Bespoke pricing exercise and mini competitions
- Matrix pricing to capture different scenarios
- eAuctions
- Compare & Save
- Bulk buys
- DH fund
- Route switch e.g. stock volume selling products
- No cost price increases
- Goal increase savings for NHS

# NHS Supply Chain and Cambridge Council

## **Stage 1 – Initial contact, support and preparation**

- Combined HbA1c and Cholesterol requirements for 78 analysers and consumables via reagent rental purchasing option
- Supported specification and requirements prior to issuing to suppliers
- Anticipated likely questions

## **Stage 2 – Communications with suppliers**

- Facilitated exercise through 6 suppliers
- Conduit between Cambridge and suppliers for consistency
- Impartial

# NHS Supply Chain and Cambridge Council

## **Stage 3 – Organise agreement**

- Bespoke agreement using a Memorandum of Agreement between Cambridge and Alere
- Legal support

## **Stage 4 – Implementation**

- Support with implementation meetings and on-going ordering and communications

# NHS Supply Chain and Community Customers

- Hertfordshire Community
- Leicestershire
- Pennine
- West Cheshire
- MerseyCare
  
- Northwest Ambulance
- Southwest Ambulance

# NHS SC contact details

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# Questions and Feedback