



# NHS Procurement Landscape

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**Liam Robinson**  
**Assistant Director of Procurement**

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the NHS in the East of England

# To be covered

1. Background to the Hub
2. National context
3. Current procurement landscape
4. Buying decisions
5. Further collaboration / Strategic Partnerships
6. Examples of innovative projects & opportunities

## Background to the Hub

- Formed in 2007
- NHS Organisation / Membership subscription / not for profit
- Currently 43 Trust members
- Employs 22 staff
- Four teams
  - Provider Procurement
  - Pharmacy Procurement
  - National Ambulance Procurement Support
  - Commissioning & Project Support
  - Data Management

## Hub Services / Profile

- Provides strategic procurement support and seeks to aggregate regional purchasing requirements
- Since 2007, £130m cash releasing savings
- Further value added through:
  - Training
  - Diagnostic Reviews
  - Project Work
  - Clinical Product Reviews
  - Data Management & Spend Analysis
  - Network Groups (i.e. Orthopaedic, Cardiology, Pharmacy)
- Strategic Partnerships

# Our Customers

- **East of England region:**
  - Bedfordshire
  - Cambridgeshire
  - Essex
  - Hertfordshire
  - Norfolk
  - Suffolk
- **43 Member Trusts**
  - 13 CCGs
  - 18 Acutes
  - 5 MHPs
  - 5 Community trusts
  - 1 social care
  - 1 GP Federation

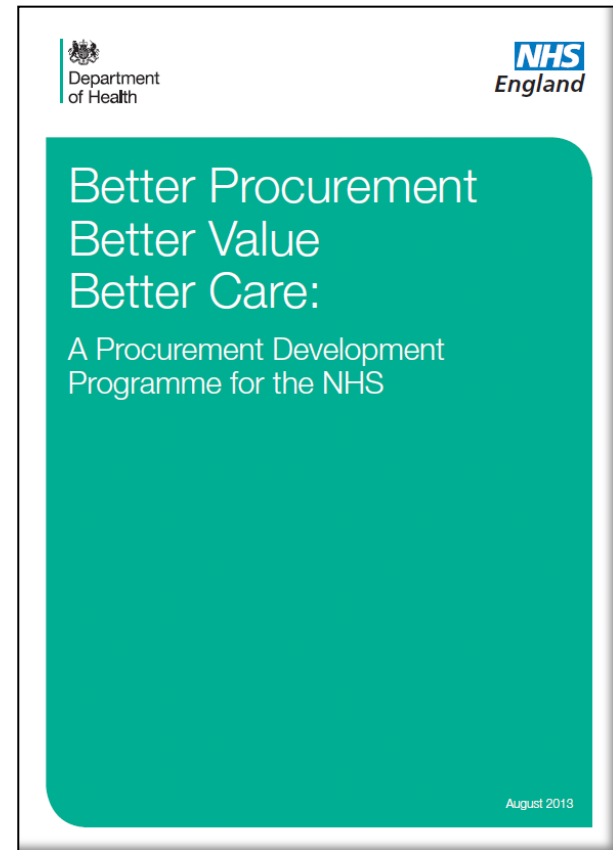


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# National Context

- Government procurement strategy launched in 2013
- Proposition to deliver £1.5-£2bn efficiency savings
- Increase transparency – link to Lord Young’s report *Growing your business* and SMEs role in economic growth.

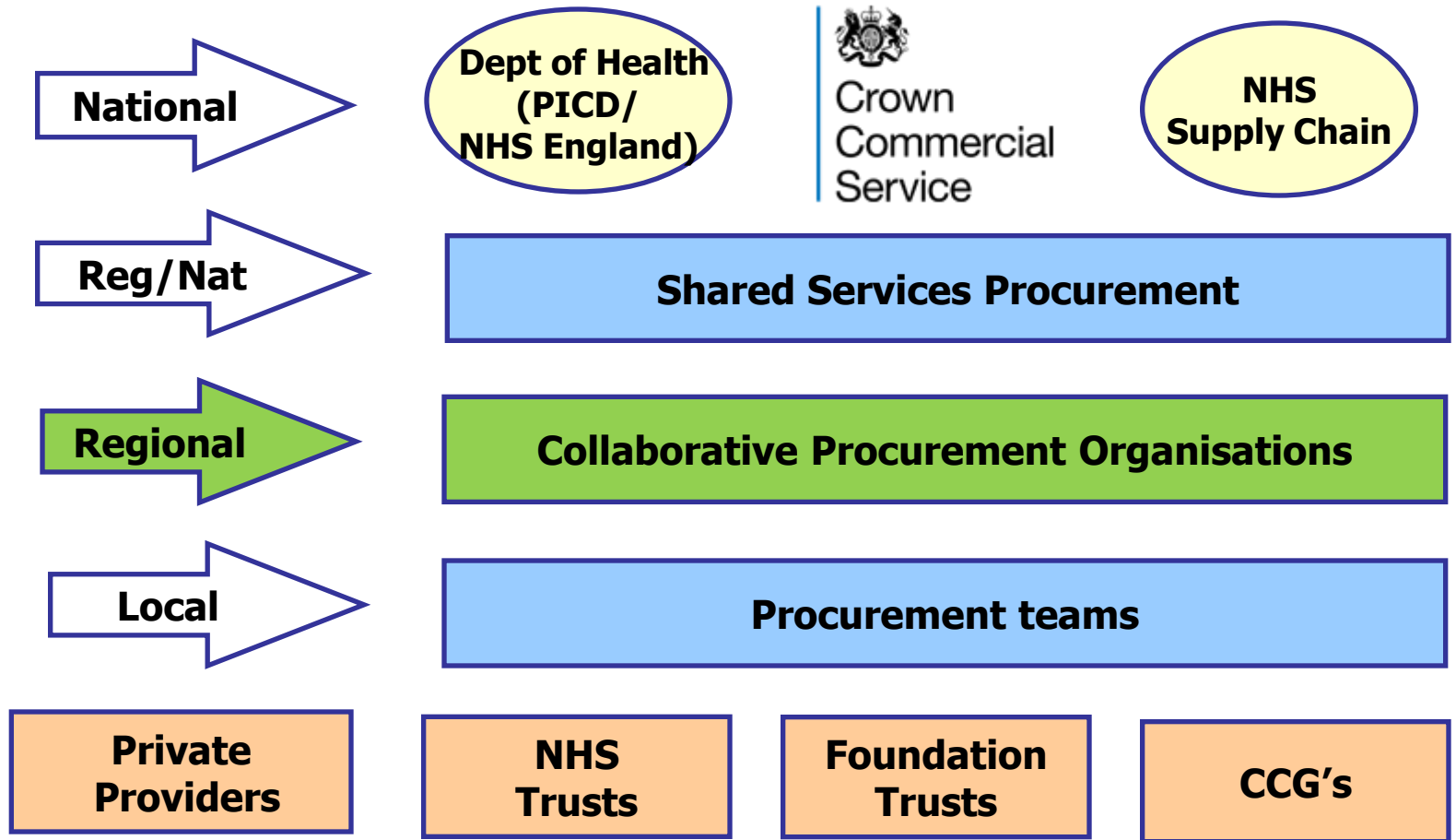


# National Context

*Better Procurement Better Value Better Care* outlined 3 ways the NHS intends to contribute and SMEs are at the heart of the strategy:

1. we can ensure the way the NHS undertakes its procurement does not preclude SMEs from gaining business.
2. we can ensure the NHS is responsive to innovative solutions and ideas from industry
3. we can send strong and early signals to the market about strategic direction and future investments, so that suppliers can talk to us well before procurements are actually taken.

# Current Procurement Landscape





# Buying Decisions

Products and services are procured at these different levels depending on a number of factors:

## Market Conditions

- Aggregation economies
- Availability of product/service
- Level of competition
- Manufacturing process
- Spec/ functionality variation
- Need for Supplier Management
- Response times
- Opportunity to rationalise

*Drive the market characteristics*

National

•Energy

Regional

•Orthopaedic  
Prostheses

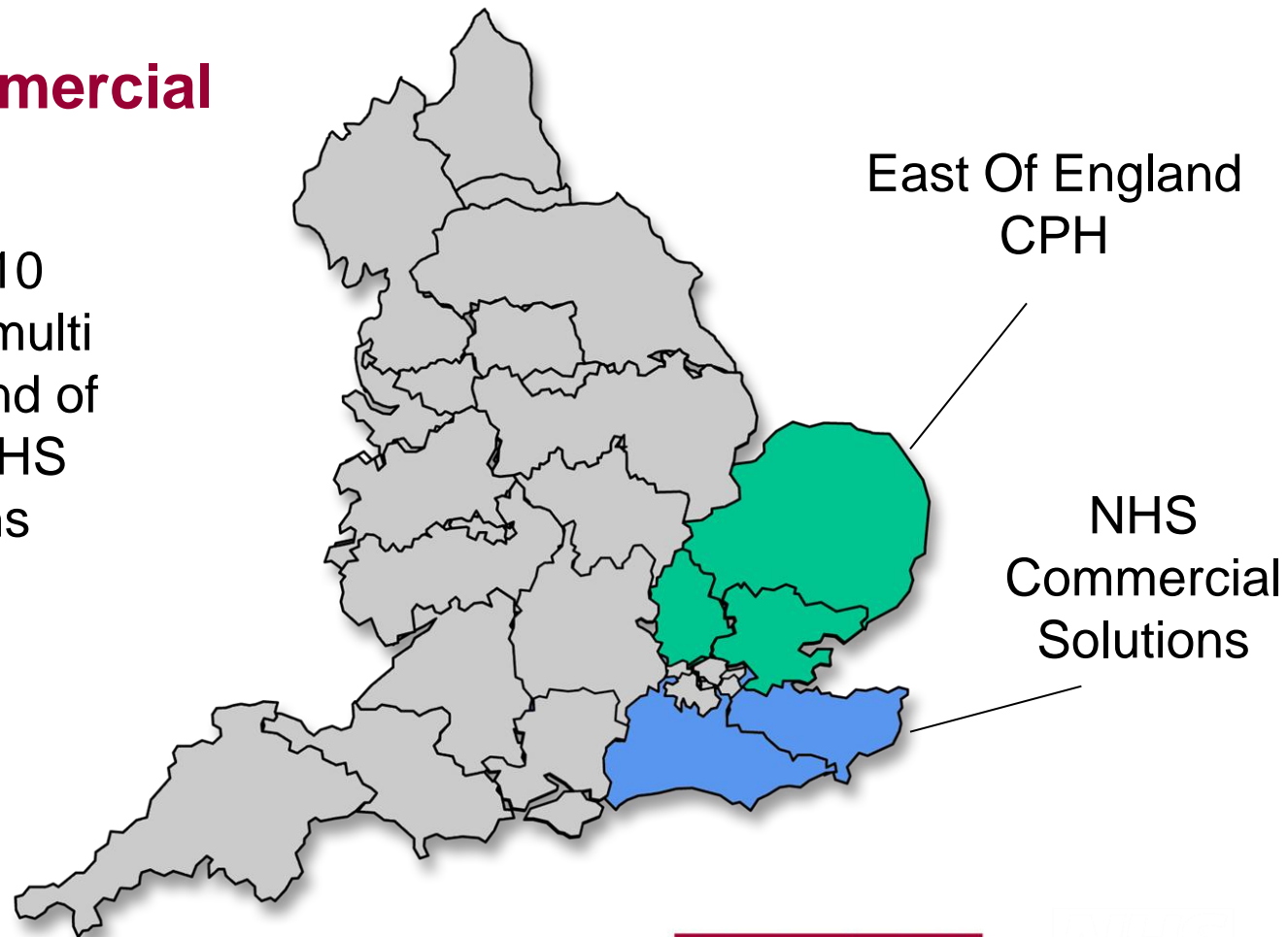
Local

•Fresh Food

# Partnership Working (1)

## NHS Commercial Alliance

Set up in 2010  
Pooling the multi billion £ spend of around 70 NHS Organisations spanning 10 counties



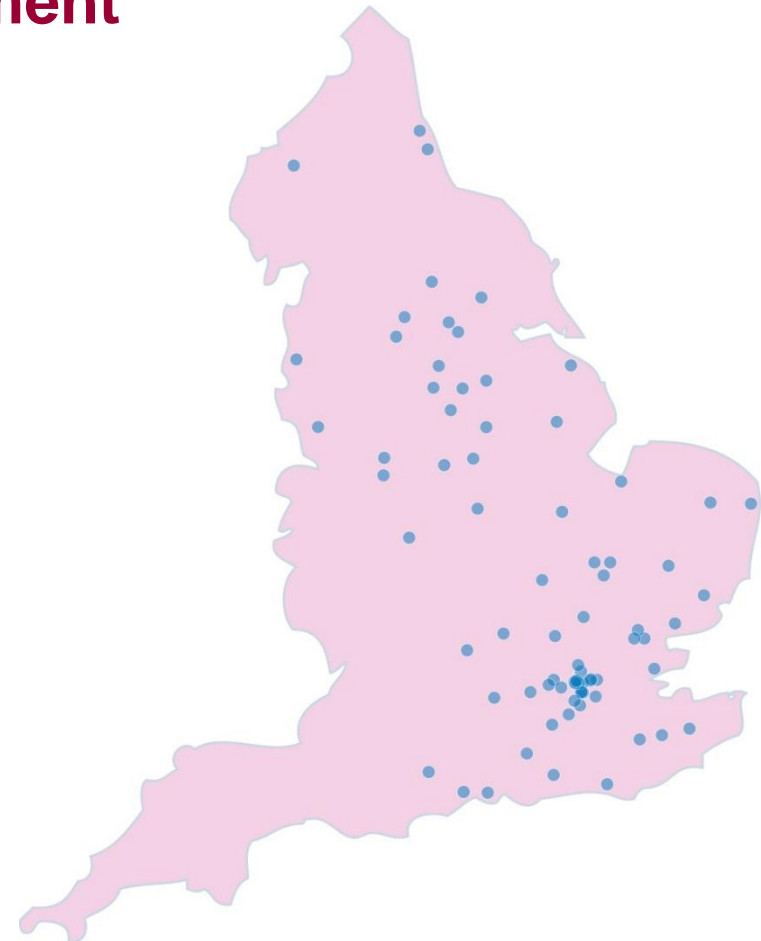
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# Partnership Working (2)

## NHS Collaborative Procurement Partnership (CPP)

- Set up early 2014
- Four NHS Collaborative Procurement Organisations
- 260 Trusts
- 60% of the NHS in England



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# Partnership Working (3)

## Closer working relationships with:

- Small Business Research Institute (SBRI)
- Crown Commercial Service
- Academic Health Science Networks
- Stakeholder Network Groups

# Innovative Projects & Technologies

## Neonatal Parenteral Nutrition

- Joint project between EOECPH & NHS England
- Standardise the dose and formula of nutrition packs
- Standardise the process - early introduction of PN (within 24hours of birth) significantly enhances growth development
- Traceability of product
- Harmonised regional pricing of product (despite different levels of usage across Trusts)
- Preferred suppliers under contract
- Visibility of usage data and spend across the region
- This double stranded project is the first of its kind in the UK



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A vertical collage of three images on the left side of the slide. The top image shows a person's hands writing on a document with a pen, with a calculator and stacks of papers nearby. The middle image shows a healthcare professional in a white coat administering a vaccine to a young child's arm, with another person assisting. The bottom image shows a close-up of a healthcare professional in a white coat looking towards the right.

# Innovative Projects & Technologies

## Support Routes

- NHS Procurement & Efficiency Programme
- Small Business Research Initiative
- Supply Chain – Innovation Scorecard
- Academic Health Science Networks (AHSNs)
- National Institute for Health Research (NIHR) - Health Technology Cooperatives (HTCs)
- Medical Technologies Evaluation Programme (MTEP)