



1. STRATEGIC OVERVIEW

The NHS is facing an unprecedented challenge to meet the rising demands of healthcare driven by the Covid 19 Pandemic (C-19), an aging population and a background of tighter budgetary control.

Mirroring the wider healthcare shift to a systems based delivery, procurement can build a more efficient, effective and resilient service, which will allow it to better manage its shared suppliers and collective customer requirements. This means that we cannot continue as we have always done and as such need to transform the way in which procurement is viewed and delivered to meet the requirements for an Integrated Care System (ICS).

Procurement is about enablement, making a valued and measurable contribution to the performance of all organisations in the Integrated Care System, by supporting the strategic direction and business imperatives of each organisation in the system and by working together as cluster.

1.1 Systems Based Delivery

The shift towards a system based delivery will mean:

- There will be a strong emphasis on moving from organisational autonomy to collaboration as integrated systems; bringing services together.
- All NHS organisations are expected to become part of an ICS from 1st April 2021 as outlined in the Long Term Plan for procurement at local level.
- Procurement will align its resources and processes more closely.

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Figure 1.

There is substantial scope for cost savings through the application of best practice and high standards, collaboration and process modernisation. Whilst there has been significant improvement as to the importance and performance of procurement over the past 3 years from which each Trust in the ICS has benefited, the pace of change must increase if we are to continue to influence a challenging non pay agenda.

Locally based procurement teams and informal ICS collaborative working has now transitioned into a single hosted procurement service for the BSW ICS cluster. Savings will be delivered through an aggregated work plan and new operating model. The ICS has identified 5 key priorities for change, on which the newly designed service will need to support:

- I. Formalised acute collaboration and sustainability.
- II. Locally-based integrated teams supporting primary care.
- III. Shifting the focus of care from treatment to prevention and proactive care.
- IV. ~~Local~~

strategic plan. It will define the actions to continue the journey of continuous improvem



- **Build a motivated professional high performing team** - through empowering and training our staff ensuring that we review staff well-being and take advantage of the trust schemes to support this in order to develop and retain our talent.

To support the above, the BSW ICS procurement function has been designed with a service line and category focus, and working with SCCL (NHS SC) and the national Category Towers within the current operating model will be critical.

The scope of procurement for the BSW ICS covers medical consumables and equipment, IT hardware, software, systems and services, capital projects, builds

It is critical that the all trusts in the BSW ICS recognise the need to engage and influence the national procurement landscape, both working with the new operating model to enable the benefits that are forecast but also to engage and influence policy making and general strategy direction through the regulator NHSI.



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Completion of a sourcing strategy document will outline a clear assessment of the options and the selection of the chosen route to market.

Each procurement lead or category buyer will be responsible for:

- Category savings strategies and delivery working where appropriate with the new operating model.
- Working with trust colleagues and wider ICS colleagues/stakeholder networks where appropriate to develop ICS category strategies to aggregate and commit demand working with the new operating model.
- Ensuring GS1 Standard compliant catalogues are in place.
- Effective contract writing and management.
- Formal performance review via supplier relationship management plans.

8.2 Strategic Sourcing Principle Aims

The primary aims of the Strategic Sourcing workstream will be delivered as part of the Annual Plan, noting that the BSW ICS has a real opportunity to influence both at the South Regional Customer Board and other forums.

9. SUPPLY CHAIN MANAGEMENT AND EFFICIENCIES

Aim: To eradicate wastage and inefficiency in the supply chain.

- Optimise stock levels based on “just in time” principles. Continue to review areas of potential standardisation, consumption analysis and engage with clinical teams to inform decision making.
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- Continue to apply the Scan4Safety methodology and principles, act as a lead link guiding and supporting all trusts, departments throughout the BSW ICS as required.
- A full Supply Chain Management Strategy and Transactions and Analytics Strategy will be produced and incorporated to this Procurement Strategy.

10. PROCUREMENT SYSTEMS, ANALYTICS, DATA AND PERFORMANCE MANAGEMENT

Aim: Improve quality of data, information and transparency



Figure 6.

- 3 Acute Trusts in the STP will regularly review model hospital measures and performance.
- Head up by the Head of Sourcing two clear work plans are in place (clinical and non-clinical) to aggregate the volume across the BSW ICS.
- Growing ICS volume and spend across is taking place with SCCL (NHS SC) through repatriation of

13. SUSTAINABLE PROCUREMENT

Aim: In the context of broader sustainability, maintain the balance between financial, social and environmental factors, focusing on energy efficiency, carbon reduction and recycling and to ensure social justice and equity. Integrating environmental, health, social, political and economic issues into procurement decisions to embrace the founding principle of healthcare, first to do no harm .



- All procurement shall be non-discriminatory and will comply fully with the Equality Act 2010 supporting the principles of Equality and Diversity and we shall treat all our suppliers and stakeholders with equality.
- The Standards of Business Conduct will be followed by all staff ensuring that all our procurements are undertaken with fairness and transparency. In addition we expect and shall ask proof of our



- Achievement of annual non pay savings for the ICS, each trust and division that procurement support the delivery of.
- The success of delivery of change and value creation in key clinical areas through improved partnership working and multifunction teams.
- The annual procurement report and achievement of the annual operating plan of the procurement

APPENDIX1

**BSW STATUS NATIONAL GUIDANCE, RECOMMENDED SEQUENCE OF DELIVERY
TIMETABLE**



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Area	Objective	Key Actions	Measure
		hosted operating model, utilising combined knowledge and experience.	
	Training plans are linked to appraisals with a clear development plan in place.	<ul style="list-style-type: none"> • Ensure training plan is documented in the spida appraisal system and regularly reviewed • Completion of appropriate positive purchasing and procurement academy information 	<ul style="list-style-type: none"> • % appraisals in date • % staff trained in effective category management • Regular training sessions internally from senior team to junior members.
	Ensure staff scores from NHS surveys for		



Area	Objective	Key Actions	Measure
Supply Chain Management		Management process and regularly reviewed	
	Regular price benchmarking through the life of contracts	<ul style="list-style-type: none"> Use of procurement dashboard system and bravo analytics as well as PPIB for one of purchase requirements 	<ul style="list-style-type: none"> Price performance measures within the model hospital
	Effective standardisation and aggregation opportunities developed across the Trust and wider STP	<ul style="list-style-type: none"> Review of items on catalogue Effective plans developed to reduce new items and reduce range of products via standardisation to aggregate volume. 	<ul style="list-style-type: none"> No of products procured reducing and inventory SKU's reducing Clear reduction in numbers of new products added to catalogue.
	Risk Management	<ul style="list-style-type: none"> Ensure effective risk management of department risks and wider national issues Constant review of internal Datix risks related to procurement and supply chain and document and implement lessons learnt to minimise patient cancellations as never events 	<ul style="list-style-type: none"> Number of Datix each year vs previous Risk and scores reviewed Number of patients cancelled as a result of procurement issue.
	Integrated Supply Chain	<ul style="list-style-type: none"> Review current material movements across 	





Area	Objective	Key Actions	Measure
			cardiology to be utilised wider across the Trust
Policies & Procedures	Annual review of the procurement manual and wider policies	<ul style="list-style-type: none"> Operational team to review with Head of procurement manual to ensure it reflects changes needed to deliver the wider department strategy. 	<ul style="list-style-type: none">

