

# Enabling Greater Productivity: Delivering Financial, Operational and Clinical Benefits

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1	NHS Supply Chain Update
2	<b>Partner Collaboration</b> – Buckinghamshire, Oxfordshire and Berkshire West ICS
3	<b>Our Asks of You</b>

# What We Do

We are part of the NHS and deliver a **resilient** supply chain of **clinically assured** goods and services to **health and care providers**.

## Our Added Value

### Consolidate Purchasing, Deliveries and Invoices

Aggregate NHS spend for a range of medical devices and clinical consumables. Provide consolidated deliveries, picked to requisition point.

### Clinical and Quality Assured

Provide clinical and quality assurance across all our frameworks.

### Targeted Resilience

Provide resilience for a core list of products (stockholding, alternatives, supply chain mapping).

### Safety

Work with regulators and suppliers to ensure product safety issues are dealt with swiftly.

### Sustainability and Social Value

Deliver sustainability solutions and social value across our global supply chain.

### Innovation

Collaborate with suppliers and trusts to introduce MedTech mandated and novel innovations that deliver value-based benefits.

What we do:  
**Buy smart**

**Our Strategy focuses on:**

Buying devices and products on behalf of the NHS, embedding value, innovation and patient outcomes in our approach.

Why we do it:

We will create **£1 billion** of recurrent value to return to the NHS from 2030.

What we do:  
**Supply right**

**Our Strategy focuses on:**

Building resilience, sustainability and safety and quality into our global supply chain, ensuring the NHS gets what it needs, when it needs it, to care for patients.

Why we do it:

Driving supply chain **resilience**.

What we do:  
**Partner expertly**

**Our Strategy focuses on:**

Making it easier for NHS trusts to work with us, whilst developing the care solutions they need, and building our expertise in data insight to improve decision making internally and generate shared insights for the NHS.

Why we do it:

Working as **One** NHS Supply Chain.



# The £1 Billion Opportunity

Excellence in Sourcing

Excellence in Supply Chain

Systemwide Inventory Management

Extending Our Coverage

Internal Cost Improvement



# Examples of Current Value Enablers

1

**Inventory  
Management  
System  
Roll-out**

2

**NHS Core List**

3

**Oracle Fusion  
Implementation**

4

**Value Based  
Procurement  
and Care  
Pathway  
Efficiency**

5

**Improving  
Data Analytics**

**Delivering Savings Back to the NHS**

**Evolving our Partnership Working**

The background of the slide features a photograph of healthcare workers in blue scrubs, with their hands clasped together in a supportive gesture. The image is partially overlaid by large, diagonal blue geometric shapes in the top-left and bottom-right corners.

# **Buckinghamshire, Oxfordshire and Berkshire West ICS**



# **Value Based Procurement**

**The future delivery of  
financial sustainability?**

# A snapshot of our Healthcare in the UK

Health  
population  
demand v  
supply  
chain  
demand

c£9+ Trillion  
market by  
2025

Over 100 strategic projects  
planned for FY2024/24

GDP share of global  
health expenditure:  
6.05 in 2023 and  
forecast to raise to  
6.26 by 2029.

Health  
inequalities  
on the rise

c£300b spend in  
UK for 2023

Cold chain logistics  
investment

## Resilience

Carbon Neutral  
UK Net Zero  
Target - 2040

Patient centric supply chains

£30b in  
spend NHS

Digitisation and AI

**BOB**

Buckinghamshire, Oxfordshire  
and Berkshire West  
Integrated Care System

# UK Healthcare - Challenges and Pressures

- \* Procurement and Supply Chain landscape to considerably change in 2024
- \* Mounting financial pressure upon NHS
- \* Economic and market challenges
- \* Supply chain resilience
- \* Demands of health population
  
- \* *How do we navigate and deliver a sustainable service to our customers and patients who can realise the benefit of what we do? Value Based Procurement....*



# What is Value Based Procurement

Moving beyond volume- and price-based procurement, Value-based Procurement (VBP) is an innovative procurement approach that supports patient-centric, high quality and affordable healthcare and is an enabler of Value-based healthcare.

Primary benefit is delivering a supply solution which supports the outcomes of health care delivery and management of the total cost of care delivery.

Our commercial and financial focus should be pushing a patient centric matrix to embed the benefits of VBP. Understanding and reporting on the value is key to the success of a VBP.

We should look to accelerate and adopt this innovative way of working as enabler to financial sustainability

# Evolution of supply partnerships....



- \* Assurance of how we control spend and deliver value is at the forefront of Procurement and Finance departments, both short and long term:
- \* Developing partnerships with our suppliers
- \* Developing commercial arrangements which enable innovation, financial gain and efficiency into organisations
- \* Income v Savings
- \* Supporting strategy and transformation areas that suppliers can support
- \* Developing social value and net zero is partnership with suppliers

# Common Strategic Focus Points

- \* Lord Darzi cited that, a reduction in length of stay, greater use of day case surgery and releasing bed capacity through the application of technologies that enable patients to be treated at home, are all desirable ways of working for the NHS.
- \* Key strategic focus across Healthcare Procurement / Commercial Departments through VBP:
  - \* Helping to reduce health inequalities
  - \* Improved patient outcomes and pathways
  - \* Innovation and digitisation of supply into our hospitals and healthcare services
  - \* Supplier resilience and supply chain management
  - \* Sustainability



# BOB ICS VBP Pipeline

## Productivity and Efficiency Modelled Savings



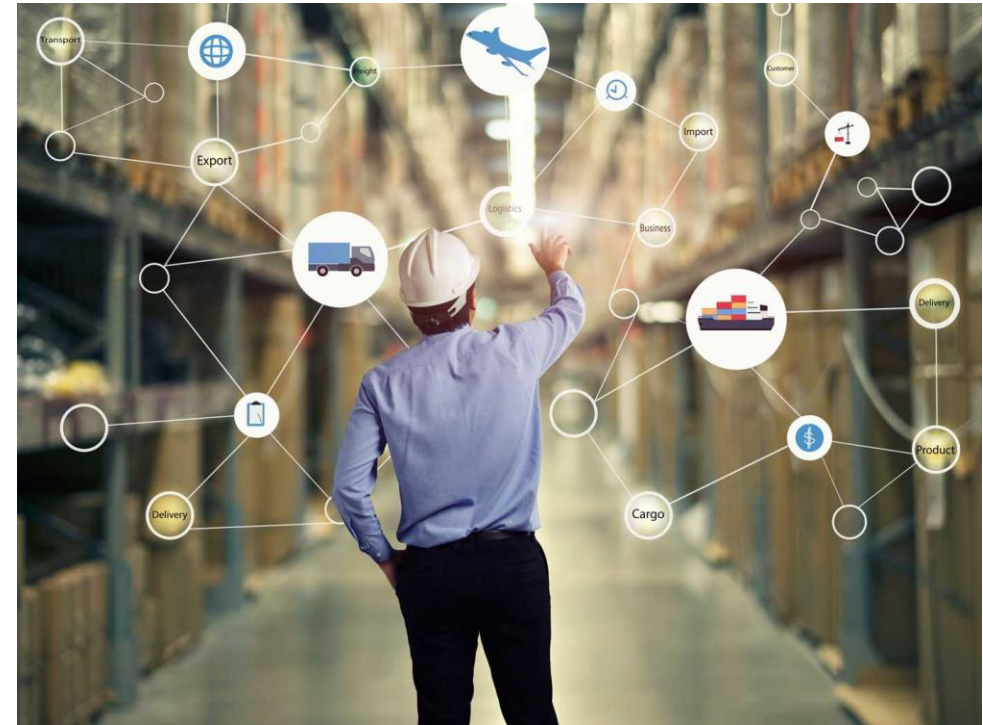
Buckinghamshire, Oxfordshire and Berkshire West (ICS)					
VBP Opportunity Name	Assumed Productivity & Efficiency (P&E) Saving Per Procedure / Patient / NHS Provider	Estimated Annual P&E Savings Based On Financial Modelling & Assumptions	Assumed Number of Procedures / Patients / NHS Providers	Estimated Cash Releasing Savings Based on Published Case Study	Estimated Non-Cash Releasing Savings Based on Published Case Study
Transnasal Endoscopy	£30.57 per procedure	£0.35m	13,385	£0.10m	£0.25m
Artiss skin sealant	£38,571 per acute provider for LoS <2.4 days or £805 per patient for LoS >2.5 days	£0.13m	135	8,067	£0.12m
APOS	£4,700 per patient	£1.36m	288	n/a	£1.36m
Remote Monitoring	£424 per patient	£0.45m	1,055	n/a	£0.45m
Pacenet	£150,000 per acute provider	£0.45m	3	£0.03m	£0.42m
OvTex reinforced biologic mesh (In Development)	£13,458 per patient	£1.88m	140	£0.98m	£0.90m
<b>Total opportunity</b>		<b>£2.73m</b>		<b>£0.14m</b>	<b>£2.59m</b>



# Supply chain resilience

- \* Covid-19 global pandemic exposed vulnerabilities of healthcare supply chain
- \* Critical we identify risks, decentralize overly complex supply chains and increase transparency
- \* Local v Global obstacles
- \* Social and ethical duty of care

***VBP should be considered a mitigation plan of the current risks.***





# Sustainability and Value Based Procurement



Our medical-tech supply chain should not be overlooked how this can support net zero targets. Using the VBP approach can help speed up targets:

- \* Reducing carbon output using theatres
- \* Increasing minimally invasive procedures
- \* Capacity v capability – reducing patient footfall in our hospitals
- \* Value based procurement can help drive our NHSE 2040 Net Zero target.

# Data, trends and forecasting to a more efficient NHS

- \* Data we hold in healthcare, particularly within the NHS, is one of the biggest assets.
- \* How we use data to make informed decisions about the future landscape of healthcare delivery is a significant opportunity
- \* VBP is a great enabler to help the finance colleagues better understand and make informed decisions on the future delivery of services



# Thank you!

# Summary

**NHS Supply Chain  
provides a safe, legal  
and compliant supply  
chain, enabling you to  
focus on patient care.**

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**Together we can deliver greater  
value for the NHS and patients  
through closer collaboration.**

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# Questions?