



Supply Chain

NHS Supply Chain Business Plan

2026-2027

Introduction

- Chair's foreword and Chief Executive's Summary
 - NHS Supply Chain 2030
 - Business Plan 2026-2027
-

2026-2027 Corporate Priorities

- Strengthen patient impact and system value
 - Transform how we buy and trade
 - Modernise our organisation
 - Build a performance led organisation
 - Ensure operational stability
-



Chair's foreword

I am pleased to present the NHS Supply Chain Business Plan for 2026-2027. This year represents a defining moment for our organisation and for the wider health system. The NHS continues to face significant challenges, including financial pressures, workforce shortfalls and industrial action, and rising demand for care, while striving to deliver high-quality services for every patient and citizen. These realities require resilience, innovation, and collaboration at every level.

We are fortunate to have a critical role in enabling the NHS to meet these challenges. Our work is not only about procurement and logistics, but also about creating the conditions to support the delivery of better patient care and system efficiency. This year, we will accelerate the delivery of our Modernisation Programme, a multi-year investment that will transform our IT infrastructure, expand logistics capacity, and re-engineer our processes. These changes will strengthen resilience and simplicity, ensuring we can support the full NHS system in a more reliable and sustainable way.

Our transformation plan is aligned with the government's NHS Fit for the future: 10 Year Health Plan for England and its three key shifts: hospital to community,

analogue to digital and sickness to prevention. Through these shifts, we are an enabler to support the NHS to deliver care outside of hospital settings and adapt to earlier intervention and preventive care before people become unwell.

We also recognise our role as a strategic partner to NHS England (NHSE) and the Department of Health and Social Care (DHSC), supporting the wider system as it undergoes its own transformation. This partnership is central to creating a culture that enables excellence and collaboration.

The Board remains focused on rigorous governance and assurance and working closely with stakeholders to ensure our transformation is delivered responsibly and effectively. The challenges ahead are real, but so are the opportunities. With the dedication of our colleagues and the support of our partners, I am confident NHS Supply Chain will deliver on its ambitious agenda and make a meaningful difference to patients and the health system.

On behalf of the Board, thank you to both our colleagues and partners for your commitment and partnership as we work together to achieve this transformation.



Chief Executive's summary

As we enter 2026-2027, the NHS faces a dual challenge: delivering high-quality care today while transforming for tomorrow. We recognise the complexity of delivering change against a backdrop of financial pressures, ageing infrastructure, and rising demand for care.

This year marks the start of a major transformation for NHS Supply Chain. Through our four transformation programmes, we will address these challenges while maintaining operational stability and performance. This means balancing the delivery of large-scale change with the day-to-day services that NHS trusts and patients rely on.

This year is about delivery. Following government approval of our Modernisation Programme, we begin the first phase of a multi-year investment that will fundamentally reshape how we operate. We will replace ageing IT systems with modern, cloud-based platforms, expand our logistics infrastructure to improve service and sustainability, and re-engineer our processes to create consistency and simplicity. These changes will strengthen resilience, unlock efficiency, and improve user experience across the supply chain.

At the same time, we will deliver on our commercial transformation agenda to transform how we trade and improve pricing structures. These steps will make it easier for our partners to work with us and deliver better outcomes for patients. We will also progress initiatives such as inventory management deployment and expand our capability to support care outside hospital settings, enabling the ambitions of the NHS Fit for the future: 10 Year Health Plan for England. People are central to enabling this transformation. We will improve how we engage with stakeholders at a national, regional and local level. Within our own organisation, we will embed our new values and behaviours, build on the investment we made in leadership development last year, and create a positive experience for colleagues. Through a focus on performance and creating the right environment for each of us to succeed, we will drive the transformation we seek. These efforts will underpin our commitment to return £1 billion of efficiency savings to the NHS by 2030.

By working together as one NHS Supply Chain, we can deliver exceptional value and support the NHS in providing outstanding care for every patient. Thank you for your continued collaboration and commitment.



Our vision

To enable smarter, simpler, more connected care.

Our strategy



Our programmes



Our values



Business Plan 2026-2027

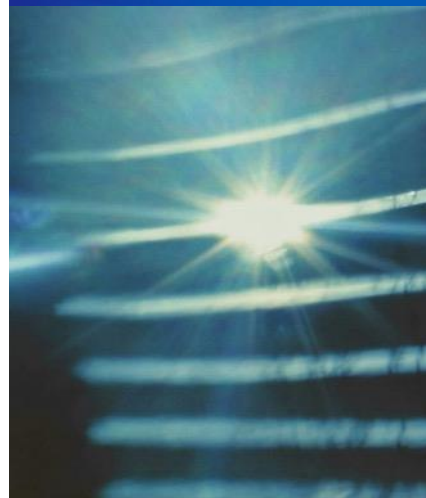
Strengthen patient
impact and
system value



Transform how
we buy and trade



Modernise our
organisation



Build a value-based
high-performance
organisation



Ensure operational
stability



Strengthen patient impact and system value

We will put clinically-led, evidence-based value at the centre of everything we do. To improve outcomes, experience and impact for patients and the wider NHS.



Strengthen patient impact and system value

Patients are at the heart of everything we do. Through clinical leadership, championing quality and enabling innovation, we will drive system-wide improvements that enhance the patient experience across the entire pathway.

1. Embed clinical leadership and quality improvement

Building on the Clinical and Quality of Care Strategy introduced in 2025, we will embed clinical leadership and quality improvement across four major programmes, ensuring priorities shape NHS transformation. This includes using population health and product segmentation data to guide decisions, ensuring network redesign meets regulatory requirements, and evolving the Clinical Quality Assurance (CQA) framework to mandate patient engagement in specifications.

Following the creation of our product sampling laboratory in 2025-2026, we will introduce a formal sampling methodology in 2026-2027 to define when and how products are sampled, improve visibility of outputs, and set tolerances and targets for long-term performance monitoring.

Finally, we will establish a Clinical Academy to provide consistent guidance for clinical quality assurance exercises, track completion of the CQA syllabus, and drive high standards across teams.

2. Spread MedTech innovation adoption

In 2026-2027, we will strengthen our impact by embedding robust governance and streamlined processes for accessing innovative products. Integrating these into all commercial activities from supplier engagement to adoption and spread in the NHS. To foster collaborative working across the health systems, we will partner with key system stakeholders, spanning NHSE and industry, to accelerate the adoption of proven innovations. These efforts will be fully aligned with NHS transformation priorities (10 Year Plan) and the UK Life Sciences Strategy.

Strengthen patient impact and system value

We will support the redesign of NHS clinical pathways through the integration of MedTech innovations that improve patient outcomes and experience and increase productivity and efficiency. This will be underpinned by the introduction of formal and focused engagement plans, driven through supplier management, with key stakeholders including trade associations, and smaller to medium sized supplier forums. We will also drive focused collaboration with existing and emerging suppliers.

Through sharing clinically-led, commercially driven evidence and engagement with healthcare leaders, we will support the NHS to overcome adoption barriers, demonstrate value, and build a strong pipeline of innovations to enable value-based healthcare.

3. Strengthen stakeholder engagement

In 2026-2027, we will embed the three-tier (local, regional, national) engagement structure introduced in 2025–2026. Anchoring it in our culture as part of the NHS family, ensuring we have a strong voice and influence while actively listening to and appreciating the voice of our colleagues throughout the wider system. We will focus on driving agility, and meaningful system wide representation in decision-making, ensuring alignment across the NHS.

We will consolidate our role in shaping policy and influencing priorities through active participation in key forums, aligning with NHSE to create the greatest system-wide value. Engagement will translate into actionable outcomes that accelerate innovation and embed value-based healthcare strategies. In parallel, we will progress commercial transformation by working together to harness the total buying power of the NHS, ensuring that system colleagues are visibly included in the development of future category solutions and that our national engagement is both inclusive and outcome driven.

Strengthen patient impact and system value

We will continue to strengthen regional advisory forums for strategic dialogue and feedback. This will drive consistency across the seven NHS regions and support coherent adoption at scale. We will review where operational engagement is best achieved by ensuring the advisory programme focusses on strategy matters and creating new space for operational and tactical matters.

We will enhance operational delivery and customer experience through structured engagement. Maintaining a regular cadence of meetings to ensure accountability, support implementation and change management, accelerate product switches, and provide hands-on support for savings initiatives where economic to do so. We will make system colleague contributions more visible within local planning and delivery artefacts, reinforcing our culture of co-creation and ensuring that insights from across the NHS shape category and commercial decisions.

By embedding this model, grounded in our NHS family culture, strengthened by the clear vision of the NHS Fit for the future: 10 Year Health Plan for England, enriched through visible and inclusive engagement, and enabled by a shared commercial transformation ambition to harness the NHS's total buying power - we will enable system colleagues to help shape decisions, improve responsiveness to system priorities, and deliver measurable value across national, regional, and local levels.

Strengthen patient impact and system value

4. Continue roll-out of our Inventory Management System (IMS) and point of care solution

Since the start of the national programme, the solution has been deployed across 19 trusts. This has delivered £5.8 million in stock waste and obsolescence reduction, an average savings of 700 clinical hours per trust, fewer cancelled operations, and improved patient safety through more accurate identification of previously unflagged out-of-date stock.

We will continue to extend our inventory management and point of care solution to the next tranche of trusts, rolling out to a further 14 trusts in 2026-2027, including full deployment to 10 of these. This builds on the 19 trusts already live and will enable organisations to realise Scan4Safety patient and financial benefits, improve supply chain resilience, and further reduce waste through enhanced stock visibility.

Working closely with the Federated Data Platform and the Medical Device Outcomes Registry team, point of care IMS will be aligned to the Cumberlege recommendation to “collect once, use many times”, ensuring they serve as a reliable and reusable source of clinical and supply chain data.

5. Expand our value outside of hospital settings

We will work with NHS Shared Business Services (NHS SBS) to consolidate wound care frameworks reducing duplication and complexity. This will strengthen procurement, leverage NHS buying power, and ensure seamless delivery through NHS SBS’s community service and logistics.

Our unified, patient-focused solution for wound care will improve quality of care, optimise resources, and support financial sustainability, while driving simplicity, innovation, and efficiency across community care pathways. We will support the development of a multi-category business case, led by NHSE, to enable the expansion of our support for patients in their homes.

Strengthen patient impact and system value

6. Build resilience to ensure the NHS is well supported across Winter

Supporting the NHS through winter remains a critical priority for NHS Supply Chain. Last year, we strengthened resilience by establishing a dedicated winter working group, introducing a targeted watchlist of around 200 high-risk products alongside our existing 6,000-item winter peak plan, and collaborating closely with customers on product lists, communications, demand insights and Infection Prevention and Control (IPC) guidance changes. We enhanced controls for forecasting, inbound tracking, stockholding and supplier engagement, and managed issues proactively with early escalation where needed.

In 2026-2027, we will build on these foundations by applying lessons learned, improving forecasting accuracy, expanding the winter watchlist, and accelerating issue resolution. Our ambition is to deliver the same coordinated approach with greater precision and responsiveness, ensuring continuity of supply and supporting trusts through one of the most challenging periods of the year.

7. Deliver efficiency savings and cost improvement

Savings delivery remains central to our commitment to the NHS and to achieving our £1 billion goal by 2030. In 2026-2027, we will launch new frameworks and combine them where it adds value, ensuring they are fit for purpose and deliver maximum benefit. Alongside this, we will refresh category strategies and renew contracts to secure competitive pricing and improved commercial terms. These actions will not only meet our savings target for the year but also strengthen long-term value for the NHS by reducing cost pressures and supporting reinvestment in patient care.

8. Support NHS Net Zero goals

Our sustainability focus for 2026-2027 will drive four core objectives: supporting Net Zero by 2045, advanced circular economy, maximising social value and ensuring ethical supply chains. Sustainability remains a core priority for NHS Supply Chain, and we will look to ensure 75% of frameworks include measurable sustainable opportunities.

Transform how we buy and trade

We will transform our commercial and trading model to ensure interactions with us are simple, transparent, and deliver value for the NHS.



Transform how we buy and trade

We want trading with us to be simple and transparent. By transforming how we buy and trade, we will unlock commercial excellence, reduce complexity, and deliver greater value for the NHS. To achieve this, we will review options to introduce a single pricing system, reduce reliance upon legacy platforms, and launch the next phase of our commercial transformation, building a modern supply chain that is fair, agile, and easy to work with, enabling better decisions and ensuring the system benefits from every pound spent.

1. Deliver commercial transformation: Major Transformation Programme - Supply Chain 2030

In 2025-2026, we defined the transformation required to consistently deliver commercial activity that is efficient, strategic, resilient, aligned to NHS Priorities and grounded in the NHS Supply Chain Buying Principles. This established the Commercial Transformation Programme (CTP) to modernise the Commercial Directorate, deliverable by the end of 2028. Over its life, the programme will embed data-driven decision-making, enable simplified and effective procurement, and ensure alignment to NHS outcomes through structured governance and phased implementation.

During 2026-2027, we will ensure that all frameworks launched fully consider the Buying Principles, driving greater simplification and improved commercial leverage. This will move beyond articulation of the principles to consistent application: equipping teams with the tools, templates and training required to embed the Buying Principles into everyday commercial decision making across NHS Supply Chain.

Through the process workstream of the CTP, we will deliver improvements to process standardisation and efficiency, including contract launch process, supported by updated procurement policies. This will enable us to deliver on our ambition operating as One NHS Supply Chain through simplified, consistent and assured processes.

A modern commercial workplace depends upon effective use of technology to support streamlined, transparent sourcing and contracting activity and our procurement platform is therefore a defined workstream within the CTP. In 2026-2027, we will identify the future eProcurement and contract management solution for NHS Supply Chain and develop a detailed implementation plan to support its deployment.

Transform how we buy and trade

To ensure we have a commercial operation that delivers the best value for our NHS partners, with a foundation based on great relationships, aligned to NHS goals and outcomes, we will define and implement our future commercial capability plan.

The commercial strategy we developed in 2023 has rightly matured in line with organisational and NHS objectives. In 2025-2026, we refreshed the strategy to ensure it guides us to our ambitions for 2030 and beyond, in 2026-2027 the strategy shall be implemented.

2. Deliver trading transformation: Major Transformation Programme - Supply Chain 2030

In 2026-2027, we will begin phase two of our trading transformation programme. We will reduce reliance on legacy platforms and accelerate our transition to a single ERP (Enterprise Resource Planning) system. The programme will enable technical solutions to automate the management of buy and sell prices, releasing internal capacity from manual data entry to market intelligence and optimised pricing. We will also design catalogue solutions to ensure synchronisation with third party systems, ensuring the price seen is always the price paid.

3. Simplify our pricing

Simplifying our prices is a key initiative to make it easier for trusts to do business with NHS Supply Chain. In 2026-2027, we will deliver processes that implement the next stages of our pricing simplification work, by focussing on reducing the number of multi-buy-multi-sell price arrangements, introducing national price matrices as appropriate, and aligning sell prices across our different customer segments. This will also support our modernisation programme by optimising our pricing systems and approaches to our architectural standards of data simplicity.

Transform how we buy and trade

4. Continue the development of our digital platform

In 2026-2027, we will expand user access to the new minimum viable product (MVP) digital platform to all NHS trusts, enabling streamlined product search, mobile access, and single sign-on. We will deliver critical features and improved capability to support scalable trust adoption and migration from legacy systems to a modern e-commerce environment. This will improve the customer ordering experience, improving productivity and enabling enhanced value through growth.

We will also develop a fully integrated customer digital strategy and roadmap, aligned with our modernisation programmes, that will deliver a comprehensive digital experience, delivering £4.4 million annual productivity savings, improving customer satisfaction, and strengthening technical resilience. This phase will prioritise activation, feature discovery, and readiness for integration with future service propositions.

5. Embed and scale the NHS Core List

The NHS Core List offers a simplified, clinically assured product range, with a single purchasing route with improved service levels and resilience assurance. Last year, we delivered the first phase by launching the first category, scissors and waste bags. In 2026-2027, we will establish a core list customer working group with regional clinical and procurement representatives, embedding the sourcing, supply and governance of the Core List as continuous activity, and scale the approach. We will continue to expand the core list to further categories, simplifying procurement, reducing unwarranted variation, and strengthening commercial standards across the NHS.

Modernise our organisation

We will build a modern, integrated organisation with the systems, data and processes required to support a resilient and future ready supply chain.

Modernise our organisation

During 2026-2027, we will begin a major transformation to replace our ageing systems and to expand our physical logistics capacity and capability. The NHS Supply Chain Modernisation Programme will be organisation wide. It will impact every part of the business and will fundamentally overhaul our legacy systems, reimagining how we can operate (leveraging technologies such as AI) to deliver a more resilient end to end NHS Supply Chain service to NHS trusts.

By the end of 2026-2027, we will have completed the detailed designs of our future core business processes and systems and begun the early stages of the build of a modern, resilient enterprise resource planning (ERP) system, that improves stock visibility and supports patient care. In the early part of 2026-2027, we will onboard our delivery and assurance partner to support us in the delivery of this programme, who will assess the validity of our planning assumptions and rephase accordingly.

1. Delivery of NHS Supply Chain Modernisation: Major Transformation Programme - Supply Chain 2030

The programme will commence by resetting our modernisation plan in collaboration with our service provider partners GXO Logistics and Tata Consultancy Services (TCS), completing future blueprint work, and commencing detailed design.

By the end of the year, we plan to have started the transition towards a single enterprise resource platform necessary to support the decommissioning of our existing and outdated system. This will allow the introduction of new services, reduce corporate risk, simplify operations and enable a modern, integrated technology landscape. The new platform will support real-time data flows, improve system reliability and provide the flexibility required to adapt to future service requirements.

Modernise our organisation

Alongside the broader Supply Chain and IT Modernisation project, we will also seek to integrate supply and demand planning tools. These tools will be deployed to deliver immediate benefits such as improved forecasting and inventory optimisation and a full sales and operations planning (S&OP) process.

2. Improve our planning capability

Over the longer term, these demand and supply planning tools will interface with our ERP environment. This will replace labour intensive manual spreadsheet processes with automated, coordinated planning, and it will allow us to align stockholding more closely with customer demand, reduce the need to hold surplus stock, reduce waste and improve responsiveness across the network.

3. Implement our data platforms and analytics strategies

In 2026-2027, we will begin executing our data and analytics strategies. This includes consolidating the fragmented reporting landscape, introducing governance and metadata tracking, and creating a single source of truth for the organisation. In addition, we will explore artificial intelligence use cases as part of our transformation programme. We will define requirements in data structures, policy and upskilling to lay the foundations for future development.

Outdated tools will be replaced, bringing data together into one environment and making it easier for teams to access and use reliable information. We will also implement better ways to track data origins and usage, enabling faster, more informed decisions while reducing duplication and manual effort. These steps will improve data quality and accessibility, support advanced analytics and self-service reporting, and lay the foundation for predictive insights and better decision-making across the wider health system, in coordination with system wide priorities such as the federated data platform. This will be underpinned by the continued evolution of our IT operating model - with a business case to be developed in 2026-2027.

Build a value-based high-performance organisation

We will create a culture where people and talent thrive by strengthening our leadership, our behaviours and our shared accountability for delivering results.



Build a value-based high-performance organisation

Year two of our people strategy is centred around continuing to transform our culture and our capability to enable the transformation of our core operations. 2026-2027 will be pivotal in supporting the step change in how we operate; setting up the brilliant basics to build trust, create community and a culture where people and performance thrive.

We will focus on fully embedding our universal behaviours, ensuring these become the golden thread that runs through the entire colleague journey. This will be underpinned by development, as we embark on the next phase of our Personal Leadership Programme; ensuring our colleagues are supported to lead with their strengths and challenged to lean into high-impact conversations to deliver a step change in how we support our people and drive performance.

1. Build a robust talent strategy

We will partner expertly with our leaders across each directorate to understand the current talent health of our organisation and our future talent and resourcing needs. This will enable us to build a robust talent strategy focused on future-proofing our organisation, making key build or buy decisions and establishing an 'always on' approach to challenging organisational effectiveness and efficiency.

Our People Scorecard will enable us to interrogate key colleague data at directorate and organisational level to provide insight and build actionable talent plans focused on driving high performance through talent development, succession planning and improvement.

Build a performance-led organisation

2. Simplify and optimise our people processes

This year, we will put the 'people' into process. Redesigning our people processes and policies with our colleague experience at the heart of them all. Simplification of our processes, optimisation of our people platform and exploration of automation will require.

Cross-directorate collaboration to future-proof the accuracy and integrity of our data. Alongside mitigating risks and assuring the governance of critical colleague data.

Innovative thinking and bringing the 'outside in' will support ensuring experience is enhanced for our colleagues, our people leaders and our people team. We will collaborate with colleagues across directorates, locations and levels to support shaping this.

3. Develop a performance framework rooted in our values and behaviours

We will develop a simple performance framework and supporting reward mechanisms to embed our values and behaviours and drive towards a high-performance culture. In 2026-2027, we will continue to enhance our performance management processes, focussing on driving clearer linkages from colleague, to team, to organisation-wide performance on an ongoing basis.

We will introduce clearer reporting and monitoring of end-to-end process and business performance, using these insights, alongside customer satisfaction metrics and feedback to shape our priorities. The new model will be embedded into our corporate governance and will be supported by investment in data platforms and tools to enable data driven decision making.

Ensure operational stability

We will safeguard reliability and trust by ensuring the stability, security and governance needed to support both day-to-day operations and long-term transformation.

Ensure operational stability

Operational stability is critical to enabling the transformation outlined in this Business Plan. Our approach focuses on modernising core platforms, strengthening cybersecurity, and embedding integrated governance and assurance. Through this approach, we will protect continuity, reduce operational risk, and create a resilient foundation for long-term success.

1. Define future requirements for electronic demand capture

Currently live in 162 trusts, supporting 5,000 users and £760 million in revenue, electronic demand capture (eDC), remains a critical capability for NHS trusts. We will initiate a discovery phase in 2026-2027 to define future requirements. By the end of the year, we will have developed and deployed an initial solution ready for more widescale deployment and development in 2027-2028. This will enable accurate costing and a roadmap aligned to the modernisation programme, ensuring continuity and improved customer experience.

2. Strengthen cyber security

We will strengthen IT security across three areas: data protection, identity and access management, and disaster recovery. Building on progress from 2025-2026, we will expand data security and loss prevention controls to all stored data, implement more secure identity and access processes including privileged access management, and continue to enhance disaster recovery capability to ensure resilience against cyber attacks.

Ensure operational stability

3. Strengthen business continuity and organisational preparedness

Business continuity remains a critical priority for NHS Supply Chain. While we progress towards future modernised infrastructure, it is essential that we maintain a robust and proactive approach to continuity planning to ensure resilience across a range of scenarios. In 2026-2027, we will strengthen our continuity planning, conducting regular cross functional tests, strengthening after-action reviews and embedding continuous improvement. We will embed a more aligned and coordinated response model across our ecosystem partners, service providers and the NHS. This strengthened approach will ensure that we maintain essential services and that NHS partners are supported during periods of disruption.

4. Introduce a new Supplier Assurance Framework

In 2026-2027, we will introduce our new Supplier Assurance Framework that will support transformation goals such as process simplification, supplier assurance, and data enablement. This will contribute to the NHS Fit for the future: 10 Year Health Plan for England by improving supply chain resilience, enabling digital maturity, and supporting preventive healthcare through better supplier performance. It will be part of a wider supplier management approach including supplier assurance, supplier relationship management and development, and sustainability. This holistic approach will strengthen supplier relationships, ensuring sustainability, mitigating risks, driving performance improvements, and building resilience within the supply chain.

We will also introduce formal supplier engagement and value stream mapping to create better transparency and visibility of our end-to-end supply chain opportunities to create incremental value above and beyond the contract.

Ensure operational stability

5. Implement stronger enterprise oversight of our transformation

To enable successful delivery of our transformation and modernisation programmes, we will implement stronger enterprise oversight to ensure design integrity; a well-managed integrated plan with clear understanding of critical paths, dependencies and risks; and an improved way of capturing and realising value.

6. Deploy project and portfolio management tools

To support a sustained period of transformation, we will revise our change methodology and deploy a modern, cloud-based project and portfolio management (PPM) platform to replace fragmented tools and manual reporting. This platform will provide a single source of truth across the change portfolio, strengthen assurance, improve benefits tracking and enable improved prioritisation. We will also enable a lighter touch version for smaller in-directorate projects that would benefit from more structured support. For our system partners, this means greater clarity and confidence in delivery performance, with the potential to explore integration with collaboration platforms used by NHS partners to streamline communications.

OFFICIAL



Supply Chain