

# NHS Supply Chain Business Plan 2022 / 2023

Supply Chain Coordination Limited - Management Function of NHS Supply Chain



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# Background and Context



## Chair's Foreword

The past year has seen colleagues across the NHS pull together to manage the ongoing impact of COVID-19 across all services. I would like to thank all our partners for their tireless work in keeping the nation safe, and for working with us so we could continue to supply the NHS with the safe, high quality products needed to deliver excellent patient care.

Additionally, I would like to thank my colleagues in NHS Supply Chain, who have continued to deliver value, despite the challenges brought by global supply chain disruptions and inflation.

The last few months have seen a period of change. Our Chair, James (Jim) Spittle, stepped down from his role in September 2021, following completion of his three year term. I would like to pay tribute to Jim's leadership, which has provided a strong platform upon which to deliver even greater value to the NHS. My thanks also go to Colin McCready, whose leadership as Acting CEO through testing times, has put us on firm foundations for the year ahead.

I am delighted to have been appointed Interim Chair of the SCCL Board, and to welcome our new CEO Andrew New, as we embark on what will be a critical and exciting year for NHS Supply Chain.

In 2022/2023, we will take our first steps toward delivering our new Vision and Strategy. A key component of our plans is the transformation of our operating model. Through this we will become more insight

driven and balance the need to deliver savings, innovation, resilience and sustainability in partnership with and aligned to the needs of the NHS.

There can be no doubt there are challenging times ahead for the NHS, but through collaboration with our partners and building the right level of capabilities so each of our colleagues are able to contribute to this ambitious plan, we are committed to improving lives by delivering the supply chain the NHS and its patients need.



**Heather Tierney-Moore**

**Interim Chair**

Supply Chain Coordination Limited (SCCL)  
Management Function for NHS Supply Chain

# Chief Executive's Summary

We have big plans for the future. Guided by our new Vision and Strategy, we are determined to be a proactive and collaborative partner that looks across the whole of healthcare.

## Our vision for the future

We recognise the need to become much easier to work with, and are committed to transforming how we work with our trusts, service providers and suppliers to ensure our supply chain aligns to the expectations and needs of the NHS. In the future, working with us must be seamless, and enable clinicians to do what matters most - spend more of their valuable time caring for patients.

Building excellence in data analytics is key. NHS Supply Chain's data is an incredible asset, and we will work collaboratively with our NHS stakeholders on our data strategy, to maximise its potential, and deliver better clinical outcomes for patients.

The cornerstone of our offer will always be excellence in procurement and supply chain management. Our trusts need to know when they order a product, it will be fit for purpose, value laden, and be delivered where and when they need it.

## Delivering for patients today

In 2022/2023, we will begin to build the capabilities across category management and analytics that drive value. Working with Integrated

Care Systems (ICSs), we will test new service offerings, and ensure we are delivering fit for purpose products that improve clinical outcomes through innovation and safety. We will look beyond just product price, to how we can deliver system wide efficiencies, and we will make it much easier to do business with us by improving our technologies and ways of working.

Transforming the way we work, and the services we offer to the NHS, is key to delivering our Vision and Strategy. The implementation of our target operating model, the integration of PPE into our supply chain, and continuing to support the NHS manage the response to the COVID-19 pandemic will be crucial first steps.

We already drive value to the NHS, but I firmly believe we can do something amazing in the future. That starts now, and I look forward to working with you all as we begin to deliver our exciting vision.



**Andrew New**  
**Chief Executive**

Supply Chain Coordination Limited (SCCL)  
Management Function for NHS Supply Chain

# Vision, Strategy, and Corporate Objectives

## Vision

To make it easier for the NHS to put patients first

## Purpose

Our role is to support the NHS to save lives and improve health

## Strategy

Buy smart

Supply right

Partner expertly

## Seven enabling priorities

Category Management

Agile Logistics

Business Simplification

Partnering

eCommerce

End-to-End Visibility

Data Strategy

## Values

Be  
Authentic

Be  
Inclusive

Be  
Driven

Be  
Enterprising

Be the  
Difference

## Corporate Objectives 2022/2023

- Partner with trusts to deliver excellent patient care
- Improve the way we work with trusts
- Embed category strategy excellence, whilst driving savings
- Strengthen resilience
- Develop our data strategy and pilot value use cases
- Create the future

# Corporate Objectives





## Partner with trusts to Deliver Excellent Patient Care

- Improve how we collaborate with our trusts
- Support the ICS transition
- Provide products that meet clinical and patient needs
- Embed safety practices throughout the system

# Partner with trusts to Deliver Excellent Patient Care

Our objective for 2022/23 is to partner with trusts by aligning our ways of working to the NHS; strengthening their voice in our organisation; and working with them to ensure we are providing the safe and fit for purpose products they need to deliver excellent patient care. By making it much easier to work with trusts, clinicians will be able to spend more time caring for patients.

## In 2022/2023, we will:

- Improve how we collaborate with our trusts
- Support the ICS transition
- Provide products that meet clinical and patient needs
- Embed safety practices throughout the system

### 1. Improve how we collaborate with our trusts

We are committed to further strengthening the voice of our NHS Partners in our organisation. In 2022/2023, we will:

- Align the work programmes of the NHS Customer Boards for Procurement and Supply Chain to our Business Plan, to ensure they are consulted on strategies and priorities as they develop throughout the year.
- Create a dedicated customer voice team to ensure trusts' feedback is heard and actioned.
- Ensure there is effective representation of clinicians on our customer boards, and increase the level of engagement we have with clinicians through our Clinical Nurse Advisors with discussions focusing on improving patient outcomes.

- Utilise the ways of working set up by the PPE cell by holding webinars with targeted trust groups to capture their feedback in real-time.

### 2. Support the ICS transition

As system working gathers pace, we will continue to align our ways of working to meet ICS needs and emerging priorities. We will collaborate with ICSs as we shape and test our ICS Strategy in 2022/2023, to ensure it reflects their clinical priorities and procurement objectives, for example, developing the product and service offering to support emerging care pathways.

We will deliver a pilot with ICSs focusing on delivering wound care products directly to community-based health and care professionals. This will allow them to limit product waste by only using products that are needed to treat patients, retaining any additional products received for future patient care. This will target £700k NHS system savings annually once scaled.

### 3. Provide products that meet clinical and patient needs

#### 3a. Deliver clinical assurance based on risk

Delivering effective product assurance on behalf of our trusts means they can be confident they are using high quality and safe products that meet their needs. We will continue to assure 100% of new frameworks.

## Partner with trusts to Deliver Excellent Patient Care

Currently, all frameworks on our product catalogue undergo the same level of assurance. In 2022/2023, we will focus activity on frameworks that have the biggest impact on safety and quality, by classifying each framework as high, medium, or low risk based on volume, severity of safety issues, and level of innovation activity.

Frameworks classified as high risk will undergo a more rigorous assurance process, which will commence two years prior to the contract start date, and involve a greater focus on the essential specification process.

### **3b. Ensure products meet end user requirements**

When trusts procure a product with an essential specification, they can be confident it has been manufactured to specifications agreed with clinicians.

In 2022/2023, we will continue to embed essential specifications as part of our clinical assurance process across 100% of new frameworks. These will focus on improving safety, and on access to new innovation. We will also ensure 'human factor' requirements are considered as part of our essential specifications. To deliver this, we will roll-out expert reference groups (ERGs) across high priority frameworks to advise us. Frameworks where ERGs will be developed include central venous catheters, airways management, pathology, and obstetric, maternity & gynaecology.

Additionally, we will collaborate with the National Institute for Health and Care Excellence (NICE) and NHSE&I to identify innovations flagged as a future priority for the NHS. This will position us to work with suppliers to ensure they are incorporated onto our product catalogue as soon as possible.

### **4. Embed safety practices throughout the system**

#### **4a. Respond to product safety concerns raised by clinicians**

Whilst ensuring 100% of patient safety complaints are contained, we will also implement a 'You Said We Did' practice, culture, and process. This will ensure the action we have taken in response to product safety complaints is transparent, and fed back to our trusts to ensure they are satisfied by the remedial action taken.

Additionally, we recognise some of our trusts have struggled to understand who they should report product safety complaints to. We will bring our product safety reporting process to the forefront of our website. This will ensure it is simple and fast to report a concern about a product. We will also implement new ways of working to ensure concerns raised are dealt with by a single point of contact in NHS Supply Chain who will manage and keep our trusts informed.

## Partner with trusts to Deliver Excellent Patient Care

### 4b. Collaborate with regulators to embed safety

We will work with regulatory partners such as the Medicines and Healthcare Products Regulatory Agency (MHRA) to implement a formal process where we are immediately alerted to product safety concerns raised by suppliers. These could include supply disruption issues, and product recalls.

Having this foresight and formal communication channel with our NHS Partners will enable us to quickly identify and supply suitable and safe alternative products to ensure they can continue to treat patients. It will also inform how we prioritise essential specifications, to ensure we are working with suppliers to address potential safety concerns at the point of manufacture.

### 4c. Comply with medical devices' regulations

Following recommendations from the Cumberlege Review into medicines and device safety, the MHRA is in the process of updating its medical device regulations. As a distributor of medical devices, we will develop and implement a roadmap of activity to ensure we are compliant as more details emerge.



## Improve the Way we Work With trusts

- Pilot and test a future eCommerce solution
- Make it easier to manage orders
- Improve the quality of data we provide our trusts

## Improve the Way we Work With trusts

Our ambition is to develop a seamless approach to how our NHS Partners do business with us so they can spend time doing what matters - caring for patients. In 2022/2023, we will lay the foundations for this by piloting and testing our future eCommerce solution. We will also make improvements to the way orders are currently managed, and improve the quality of product information to help our trusts make more informed procurement decisions. In addition, throughout 2022/23, we will be more transparent about the impacts of this important programme of work, so our trusts know what changes will happen and when.

### In 2022/2023, we will:

- Pilot and test a future eCommerce solution
- Make it easier to manage orders
- Improve the quality of data we provide our trusts

### 1. Pilot and test a future eCommerce solution

In 2022/2023, we will work with a group of trusts and suppliers to pilot and test a future eCommerce solution. In the future, this will focus on making it easier to do business with us. It will ensure trusts can use any mobile electronic device to access product information direct from the supplier, place and track an order with real-time information, and place orders by scanning products rather than being reliant on manual processes. We also aim to increase supply chain visibility, so our trusts know where individual items are in the end-to-end supply chain.

In the meantime, we recognise trusts face challenges with our existing eCommerce platform. In response to these challenges, in 2022/2023, we will:

- Make eDC (Electronic Demand Capture) easier to use through compatibility with trusts own mobile devices.
- Roll-out a new business intelligence dashboard to eDC Gold users, providing them with enhanced data on stock levels to support stock management and reduce the likelihood of product expiries.
- Implement the new Home Delivery Service (HDS) self-serve portal to enable patients to place repeat orders online.

# Improve the Way we Work With trusts

## 2. Make it easier to manage orders

We are committed to improving our eDirect channel to make it easier to use, and to support NHS procurement processes. In 2022/2023, we will:

- Introduce Three-Way Matching to make it easier for trusts to match purchase orders, detailed invoices, and goods receipts. This will support in-trust procurement and inventory management operations, and will be available from Quarter 3 2022/2023.
- Introduce Back Order Management to enable trusts to retrospectively edit an order after it has been placed so they only receive what they need. Work will take place throughout 2022/2023 for launch in early 2023/2024.

## 3. Improve the quality of data we provide our trusts

### 3a. Improve the quality of data on our product catalogue

We will ensure the product data on our catalogue is up to date, and presented in a standardised format across our product range. We will do this by working with suppliers to agree the level of product information required, and utilising a global data synchronisation network to ensure we can quickly access this information, and feed it into our product catalogue. This will benefit our trusts by providing them with the accurate and up to date information they need to make informed procurement decisions.

### 3b. Deliver savings insights on the self-serve portal

To make it easier for our trusts to identify new savings opportunities, we will make improvements to how we report savings to trusts. We will introduce savings insight and opportunity reports, that trusts will be able to access via the self-serve portal.



# Embed Category Strategy Excellence, Whilst Driving Savings

- Develop our future capabilities
- Deliver value to the NHS
- Support our partners' cost improvement programmes
- Drive a net zero supply chain



# Embed Category Strategy Excellence, Whilst Driving Savings

Our objective for 2022/2023 is to embed strong category management expertise across our procurement activities, and within our target operating model. We will seek to deliver further value to the NHS through value-based initiatives, speeding up the adoption of innovative products, driving savings through commitment purchasing, and working towards a net zero supply chain.

## In 2022/2023, we will:

- Develop our future capabilities
- Deliver value to the NHS
- Support our partners' cost improvement programmes
- Drive a net zero supply chain

## 1. Develop our future capabilities

To embed excellence in our category management, we will define and deliver a programme of activity to enhance our strategic supplier relationship management capabilities. This will focus on maximising incremental benefits through supplier performance management; minimising value erosion through supplier risk management; and becoming more competitive through supplier development and collaboration.

In addition, as part of the development of new capabilities for the Target Operating Model, we will invest further in our supplier relationship management team, creating and then developing the function into one of the leading teams in the healthcare sector and government, supporting NHS Supply Chain to become more efficient and effective in delivery for the trusts.

## 2. Deliver value to the trusts

### 2a. Scale Value-Based Procurement and Innovation

In 2022/2023, we will work with suppliers to further scale value-based procurement across the NHS, supported by frameworks that deliver improved clinical outcomes, reduce the need for further treatment, or reduce the amount of time a patient needs to stay in hospital during treatment. There are currently nine defined projects for delivery in 2022/2023 which include disposable infusion pumps, high pressure needle free devices, non-traumatic mesh fixation, and antimicrobial sutures.

We will continue to collaborate with NICE and NHSEI to ensure innovative products, and MedTech innovations, are incorporated quickly onto our product catalogue, and considered as we develop our pipeline of value-based procurement activity. In 2022/2023, we will focus this activity on prioritising the seven planned MedTech innovations, covering benign prostatic hyperplasia, and improving the patient experience during procedures (e.g. chronic sinusitis, and sickle cell disease).

# Embed Category Strategy Excellence, Whilst Driving Savings

## 2b. Develop a single savings methodology for the NHS

In 2022/2023, we will work with NHSEI to develop a single savings measurement system and methodology for the NHS. This will include agreement on how to measure efficiencies from value-based initiatives to ensure whole system savings, rather than just product savings, can be recognised by trusts.

This will align varied savings measurements currently in use across the NHS to create a single version of the truth, and remove significant time spent comparing different savings calculations.

## 3. Support our partners' cost improvement programmes

Whilst savings delivery is only a small part of NHS Supply Chain's offer, we recognise the significant financial pressure on the NHS. We are committed to working with our trusts to deliver savings that can be re-invested in patient care. In 2022/2023, we will support trusts' cost improvement programmes through national pricing matrices which offer discounted prices in return for volume commitment. We will also use procurement methods such as cost value engineering and game theory to work with suppliers to drive further savings to the NHS.

## 4. Drive a net zero supply chain

NHS Supply Chain has a unique role in supporting the NHS deliver its goal of becoming carbon neutral by 2045. We will deliver our contribution of a net zero supply chain through the four pillars of our

sustainability strategy:

- Tackle climate change
- Reduce single use plastics
- Support the circular economy
- Tackle modern slavery and uphold labour standards

## 4a. Tackle climate change

Our supply chain accounts for a significant part of our trusts' carbon footprints. The biggest contribution to our carbon footprint comes from Scope Three emissions from our suppliers and products. In 2022/2023, we aim to reduce the carbon emissions across our supply chain by 2,900 tonnes through:

- Mapping Scope Three emissions to identify our total carbon footprint, and that of our suppliers and products, and then working with our highest carbon emitting suppliers to reduce their impact.
- Ensuring our 37 existing suppliers with spend over £5 million produce a carbon reduction plan and regularly report progress. We will also require future suppliers with this level of spend to do the same.
- Continuing to work with our Logistics Provider to introduce more environmentally friendly fleet solutions as part of our fleet refresh programme, along with new technologies in our warehousing to reduce our gas consumption, install LED lighting.

# Embed Category Strategy Excellence, Whilst Driving Savings

We will also ensure we embed sustainability across our internal ways of working. In 2022/2023, we will reduce the number of business miles taken by our colleagues by fully transitioning to hybrid working, and using technology as our standard solution for working with all stakeholders.

We will also convert our Nottingham head office, Equinox House, to 100% renewable energy, and ensure we only purchase and use 100% recycled copier paper across all our locations.

## 4b. Reduce single use plastics

In 2022/2023, we aim to remove 190 tonnes of single use plastics from our supply chain. Examples of how we will deliver this include reducing the amount of plastic in high content plastic containers; introducing sustainable alternatives across our catering consumables product range; and introducing a new framework to deliver clinical waste containers as a service.

## 4c. Support the circular economy

Circular economy initiatives, which include utilising re-manufactured and recycled products, present an opportunity to further deliver against our long-term net zero target. In 2022/2023, we will identify opportunities to introduce recycled or re-manufactured products onto our product catalogue that contribute to our carbon footprint targets

## 4d. Tackle modern slavery and uphold labour standards

Following extensive work last year to identify the most vulnerable product categories at risk of poor labour standards, in 2022/2023, we will require a further 500 suppliers operating in those markets to complete a Modern Slavery Assessment, and an additional 500 suppliers to complete a Labour Standards Assessment.

In addition, we will implement the Boardman Review recommendation to map global supply chains by mapping 60 products based on our risk assessment methodology, down to category level. This will help identify any risks posed to labour standards or environmental impacts, allowing us to take mitigative action where required.

## 4e. Embed social value in our activities

Social value is an important part of our modern slavery and labour standards pillar. In 2022/2023, we will:

- Implement a minimum of 10% net zero and social value weighting across all our future tenders.
- Continue our pledge to allow our colleagues to take up to 3 days paid leave to volunteer at an organisation of their choice to support their local communities, and set a target of 20% of colleagues undertaking at least 1 day volunteering.
- In recognition of the important role small and medium sized businesses have in our local communities, we will continue to ensure 33% of our spend remains with them.

# Strengthen Resilience

- Increase our warehousing capacity
- Build our technological capabilities
- Embed resilience across our supply chain
- Consolidate our supply chains

# Strengthen Resilience

The resilience of our supply chain is critical to ensuring clinicians have the products they need to provide safe and excellent patient care with minimal disruption. Through our logistics infrastructure strategy, we will continue to invest in the resilience of our supply chain by growing our warehousing capacity, building our technological capabilities, working differently with suppliers, and increasing end-to-end visibility of products in our supply chain.

In 2022/2023, we will:

- Increase our warehousing capacity
- Build our technological capabilities
- Embed resilience across our supply chain
- Consolidate our supply chains

## 1. Increase our warehousing capacity

In 2022/2023, we will invest in our warehousing capacity to support projected sales growth of 6% next year, and to enable us to increase our stockholding to support supply chain resilience. This will also enable us to consolidate the number of local out-stores currently in use across the country to store products, which will drive greater network efficiency and support us in maintaining service levels whilst demand increases.

## 2. Build our technological capabilities

### 2a. Invest in our core technology

In 2022/2023, we will continue to move forward with our plans to implement our Operations Management System (OMS) and Warehouse Management System (WMS) onto modern and stable cloud-based platforms. In addition to becoming more resilient and responsive systems, they will act as the foundation for service improvements in the future, such as improved stock status accuracy.

### 2b. Build capacity through enhanced transport and demand management

We will invest in the efficiency and resilience of our network by:

- Scaling demand management controls put in place to manage products critical to the COVID-19 response, to cover our entire product catalogue. This will improve management of product availability during supply disruption, enable product alternatives to be supplied where stock is low, and notify trusts if their orders have been reduced or not been met.
- Delivering the first phase of a Transport Management System by establishing reliance and efficiency controls in the primary trunking network to increase supply chain visibility and reliability.

# Strengthen Resilience

## 2c. Enhancing our information and cyber security

We will work with our service providers to develop a roadmap for improving the information and cyber security of our entire estate. This will include stress testing our cyber security defence capability with an aim to deliver improvements through any lessons learned; and enhancing how we manage and control sensitive and confidential information to ensure it is protected appropriately. The programme will take a holistic approach to information security, incorporating the three key pillars of governance, strategy and management. This will include updating and promoting information security policies to ensure colleague compliance with best practice; and developing ‘security by design’ principles for all new systems.

## 3. Embed resilience across our supply chain

### 3a. Work differently with our suppliers

As we develop our future capabilities, we will engage differently with our strategic suppliers to ensure we are working with them on building the future, improving their performance, and developing the service offering our trusts need.

### 3b. Increase visibility across our end-to-end supply chain

End-to-end visibility of products from suppliers to trusts is critical to resilience. In 2022/2023, we will lay the foundations that will allow us to

ultimately achieve end-to-end visibility through:

- Development of a clear data strategy and roadmap to guide how we can integrate with data across the NHS system to further progress towards end-to-end supply chain visibility.
- Design of eCommerce solutions that support greater inventory visibility and connectivity to point of care data through our eCommerce strategic programme.
- Engagement with our suppliers to drive better product data, and integration of this into our own systems.
- System integration with a global data synchronisation network as part of the data strategy, with the ultimate goal of moving to a clean source of supplier product data using GS1 standards.

### 3c. Identify and mitigate risk in our supply chain

In response to the Boardman Review recommendations, we will undertake mapping of complex supply chains, and assess their risk using comprehensive supplier self-assessments. We will also verify supplier responses through desk-based audits and external verification. Furthermore, we will ensure we get country of origin visibility for 80% of our product range.

These activities will enable us to flag products that carry an inherent supply chain risk, such as those with no alternative sources of supply that are patient critical. It will also position us to plan for and mitigate these risks, and make recommendations to our national partners on future approaches to pandemic security.

## Strengthen Resilience

### 4. Consolidate our supply chains

We are committed to continuing to support the NHS to manage the COVID-19 pandemic by ensuring the uninterrupted flow of PPE into all healthcare settings, and maintaining access to the PPE Portal for primary and social care, when operational responsibility for the PPE programme transfers to NHS Supply Chain at the start of 2022/2023.

We will also consider how we can embed new technologies deployed through the PPE programme into our core ways of doing business.



# Develop Our Data Strategy and Pilot Value Use Cases

- Define and test our data strategy
- Create a data science capability
- Build strong foundations for the future



# Develop Our Data Strategy and Pilot Value Use Cases

We recognise NHS Supply Chain's unique position in the NHS offers the potential to provide key national datasets on behalf of our NHS Partners, linking together data from system partners to drive great decision making across the NHS. This year, we will define our data role through our data strategy, develop the capabilities needed to deliver predictive analytics, and build strong foundations in data management and governance.

In 2022/2023, we will:

- Define and test our data strategy
- Create a data science capability
- Build strong foundations for the future

## 1. Define and test our data strategy

In 2022/2023, we will build a Data Services team that will develop and test an ambitious data strategy, that puts NHS Supply Chain at the heart of insight led decision making in the NHS. Our data strategy will define how we manage and use data and analytics to drive insight across the NHS system.

## 2. Create a data science capability

We will deliver a number of data science proof of concepts that will inform our future direction, build internal capability in terms of people and systems, as well as developing key relationships with external market leaders in data science, creating a centre of excellence in NHS

Supply Chain. Initial focus areas will explore market share, supply chain resilience, product and commodity pricing and savings across the NHS. We will also drive cultural transformation, creating an environment of data led decision making at all levels of the organisation.

## 3. Build strong foundations for the future

We will embed robust Data Management Association principles into the way we manage our data, by streamlining key datasets in the organisation into one version of the truth. This will include development of a modern data platform containing priority datasets. We will also introduce an enterprise data catalogue that governs how we store, label, and manage data, so it can be more easily used to optimise decision making both internally and for our trusts.

## Create the Future

- Align to how the NHS operates
- Develop our organisation
- Enable success through a highly efficient organisation

# Create the Future

This Business Plan represents the first stage of our journey to delivering our Vision and Strategy. Our Vision and Strategy guide the transformation of NHS Supply Chain, positioning us to deliver value across the health system and government over the longer term.

## In 2022/2023, we will:

- Align to how the NHS operates
- Develop our organisation
- Enable success through a highly efficient organisation

## 1. Align to how the NHS operates

### 1a. Take the first steps towards our Vision and Strategy

We have undertaken a strategic review of our role in the NHS, and the value we can bring the entire healthcare system if we are to reach our full potential. Our Strategy has been distilled into action, to understand how we might deliver it moving forwards. This Business Plan outlines the first steps to delivering our Vision and Strategy.

Our Vision is to support our healthcare partners deliver outstanding patient care, through excellence in supply chain and procurement. It commits us to being easy to work with; driving healthcare value; excelling in procurement; connecting supply chains; and being guided by data.

### 1b. Implement our target operating model

Aligned to our Vision and Strategy, we are undertaking a detailed design of our Target Operating Model to inform re-procurement of our service provider contracts. Extensive collaboration with our trusts, service providers, and suppliers has identified the need to become more agile in responding to changing NHS need; simplify how we work with trusts; be more data and insight driven; and balance cost reduction with innovation, resilience, and sustainability.

In 2022/2023, we will implement our Target Operating Model. We will build new capabilities, and implement new ways of working across NHS Supply Chain. We will also identify the right category management service who we can work with to bring our Vision and Strategy to life. In addition, we will undertake a detailed design of our logistics and IT model, and commence procurement to select our future service providers for those services.

# Create the Future

## 2. Develop our organisation

### 2a. NHS Supply Chain People Promise

We are compassionate and inclusive	We are recognised and rewarded	We have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team
<p>A working environment that is inclusive, celebrates diversity and ensures colleagues are their best selves, free of judgement and encouraged to learn from alternative perspectives.</p>	<p>Colleagues are rewarded for performance excellence and delivering an optimised supply chain and value for the NHS, whilst recognising those who put our values into practice through inclusive, values-driven scheme.</p>	<p>Our colleagues are heard, feel valued and are empowered to take action resulting in an engaged, highly motivated teams who are personally fulfilled and consistently deliver our strategic Corporate Objectives</p>	<p>We will promote healthy working practices and our strategies will ensure our colleagues to make better choices today, for improved health tomorrow.</p>	<p>We invest in our people to enable personal and organisational transformation and deliver a range of future focussed smart learning to achieve excellence in leadership capability and highly engaged and motivating colleagues.</p>	<p>We have a range of smart working practices to encourage healthy life balance and drive high performance. Our offices will become social anchors where we meet, grow as teams and learn from each other.</p>	<p>We are proudly part of the NHS family, and our culture is one where opinions are valued and decisions made with people in mind. As teams, we are supportive and respectful of each other and act with integrity to influence high performance.</p>

### 2b. Our workforce plan

A critical success factor will be the role our people play in building and developing the strategic deliverables of the new NHS Supply Chain. In 2022/2023, we will focus on building the right capabilities and resource to run our business, build resilience and deliver on the transformation agenda. We will introduce excellence in people data practices,

recognising the value of gathering and analysing data. This insight will enable how and what people can do to drive change including talent pipeline identification needed to attract and retain the right people, with the right skills and experience to contribute to our organisation's Corporate Objectives.

## Create the Future

Our functions will develop and capacity created to build the future. This means in some areas we will convert roles that were previously interim into permanent, having gone through a rigorous assessment process to establish an enduring need for the activity. In others, we will further build our teams to ensure we have the right sized organisation to deliver in the financial year and beyond, including talent mapping, succession planning and investment in apprenticeships and graduate talent.

We will introduce a resourcing board with accountability for the governance of the SCCL organisational establishment. This new Board will meet monthly to ensure our Business Plan is delivered by carefully balancing how our people costs and headcount is invested, supported by operational excellence practices to maintain organisational efficiency.

The 2021/2022 forecasted FTE exit run rate is ~585. In 2022/2023, we anticipate this increasing to 620. Investment will be in roles that underpin the approved organisational design in data, transformational change, supply change resilience, sustainability, operational excellence, commercial, finance and HR.

Within the 620 FTE we have assumed that 29 roles will be temporary in the year to support ongoing transformational change programmes.



## Create the Future

### 2c. Our future ways of working

Our people are our key to unlocking successful delivery of our ambitious Corporate Objectives. Through 2022/2023, we will continue our journey to strengthen our organisational culture, and to develop organisational capability to drive growth and deliver transformational business change, as proud members of the NHS family. In 2022/2023, our focus for our people will be:

- Working together to deliver effective organisational design that enables capacity for our teams to create the future, through the Target Operating Model and re-integration of PPE.
  - Introducing effective workforce planning strategies that support management of our SCCL costs budgets to maximise taxpayers investment, and support organisational decision making and leadership capability.
  - Continuing the development of capabilities, we will establish new ways to inspire new and emerging talent, such as apprenticeship and graduate schemes, aligned to our partnership working aspirations, enabling growth and effective management of transformation change activities.
  - Ensuring successful high performing teams, led by transformational leaders who are ambitious and highly capable, with the opportunity to create the right environments to drive accountability, empowerment, develop future capability through succession planning and courageous decision making.
- Providing timely access to future focussed smart learning, that is inclusive and aligned to our business priorities, resulting in highly engaged and motivated colleagues.
  - Driving practices that create the culture where colleagues are healthy, and motivated to be their best self, through a range of people practices that drive diversity, inclusivity, belonging, and enable colleagues to maintain their wellness.
  - Strengthening practices and activities that hears our colleagues, through improved communications channels and colleague forums.
  - Continually improving people processes and our HR function working in partnership with the organisation to enable the achievement of business priorities.
  - All of this will be enabled by smart working practices; and to encourage healthy life balance, our offices will become social anchors where we meet, grow together as teams and learn from each other.

# Create the Future

## 3. Enable success through a highly efficient organisation

### 3a. Deliver cost efficiency

In 2022/2023, we aim to deliver £12 million efficiency savings across our operating model from both pay and non-pay sources. We will identify new ways of working that can drive efficiencies in our future recruitment strategies, as well as further reduce our reliance on contractors. We will also engage with our service providers to identify opportunities to deliver further savings across our operating model, whilst building in the contractual levers to drive savings in the future through our re-procurement of service provider contracts.

### 3b. Drive operational efficiency

A key opportunity to cut waste and increase efficiency is in our processes. We are currently undertaking a detailed mapping of our ways of working, and in 2022/2023, we will apply system thinking to remove inefficiencies, increase performance, and improve how we work with our trusts. Areas of focus this year will include our finance processes, contract launch processes, and improving our product availability.

### 3c. Deliver our transformation

This Business Plan is enabled by delivery of our transformation roadmap. In addition to delivering the initiatives outlined in this plan, we will also continue to invest in our systems to ensure they are robust and fit for purpose through a programme of platform modernisation.

This involves ensuring our IT estate can be supported in the future, and is flexible enough to deliver new capabilities required by our Vision and Strategy and target operating model. Key areas of focus include:

- Transitioning core systems onto modern, fully supported platforms to benefit from more adaptable and robust cloud-based IT infrastructure.
- Supporting more flexible working by making virtual desktops available to more colleagues, and increasing access to core applications on colleagues' own devices.