



Supply Chain

NHS Supply Chain Procurement Leaders Network Call

14 April 2026

Agenda Item	Item	Presenter
1	Welcome and Introductions	Natalie Royston
2	Resilience Overview	Dan Wilton
3	Contracting for Value – Procedure Packs	Kelly Marsh and Darren Milburn
4	Framework Strategy Update: Total Surgical Instruments	David Ayrton
5	Savings Reporting Information	Rob Horsley and Claire Hewitt



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Resilience Overview

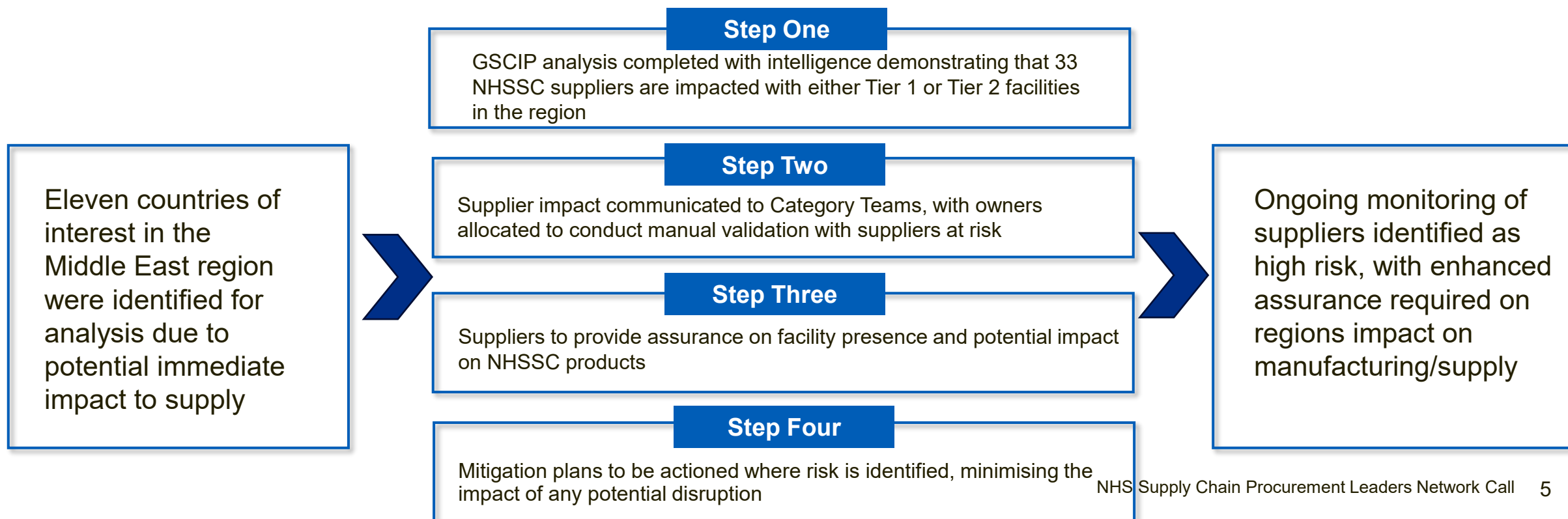
Global Supply Chain Intelligence Programme - Overview

- The programme is operated by the Department for Business and Trade
- Enables NHS Supply Chain to understand supply chains below our Tier 1 suppliers
- Cross government department programme includes HMRC, Crown Commercial Services and the Ministry of Defence
- Core data set provided by Altana, which provides us with key information relating to our suppliers and the suppliers within their networks
- Additional datasets contain risk analytics and medical device specific information



Global Supply Chain Intelligence Programme – Case Study

In GSCIP we have created a Global Events Monitoring Dashboard that has mapped Tier 1 – Tier 3 facilities for ~500 key suppliers, enabling us to understand at risk suppliers in the event of global instability



Further Middle East Intelligence Gathering

Cyber Risk Assurance

GSCIP data was used to identify:

- 21 suppliers with a low cyber risk score (less than 70)

- 23 suppliers with US ownership, given heightened geopolitical and cyber threat exposure

These suppliers were asked to provide assurance on:

- Cyber risk mitigation arrangements

- Alignment to recognised standards (including Cyber Essentials Plus, where applicable)

Functional Team Insights

A Central Tracker was created to capture insights from functional teams

Discussed as a standing agenda item during the **weekly service call**

Reviewed collaboratively with **category teams** to ensure:

- Proactive management

- Early intervention where risk indicators change

This approach ensures continued visibility and shared ownership of emerging supply or service risks.

Cost Pressures

Suppliers are requesting surcharges to be applied to product ranges, due to

- Increased shipping costs

- Commodity price inflation

- Extended lead times

Many of these pressures are linked to crude oil, which is a core input to multiple products.

Supplier comms are being monitored and a Hyper Inflation price increase process is under review



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Contracting for Value – Procedure Packs

Bespoke Procedure Pack Transformation at United Lincolnshire Teaching Hospitals NHS Trust

How ULTH have standardised their procedure packs from 24 to 2, with an estimated saving in excess of £300,000 per annum (40% of their spend)

Procedure Packs Background

Customised sets of surgical consumable components

Originally Designed for:

Efficiency in clinical workflows

A Bespoke pack for each operating procedure

Proliferation within the NHS

Difficult to standardise due to clinical preference

NHS Supply Chain – Current Structure

Lot 1 – National Procedure packs

Available to all NHS Trusts via the NHSSC catalogue

Lot 2 – Bespoke Procedure packs

Specific packs for each Trust (or Group of Trusts)

The ULTH Approach: Strategy to focus on

The removal of bespoke procedure packs.

Retaining only core components essential to all procedures.

Storing additional items within theatre stores for quick access.

The creation of a minor and a major procedure pack that could be utilised for any procedure, the 'Procedure starter pack'.

The ULTH Approach: The Process

1. Stakeholder collaboration and Engagement
 - Driven by Clinical Procurement specialist team

2. Data analysis
 - Cost data and Waste estimates compiled.
 - Common components identified

3. Standardisation
 - Universal Packs were developed

4. Implementation
 - Five months to roll out
 - Phased by site to allow stock use up

The ULTH Approach: Results and Next Steps

Efficiency gains

Reduction of packs from 24 to only two

Cost savings

Projected* £300,000+

Sustainability

Significant waste reduction

*The savings are projected to be in excess of £300,000 to be confirmed following full implementation at all four of the trust's sites.

Clinical consumable waste is being reduced, along with improved resource utilisation. Significant storage space has been created for central stores at all sites.

There has also been a **notable cultural shift** – with surgeons and clinical teams demonstrating increased engagement and collaboration. Surgeons now have more choice and the ability to change requirements quicker.

Key benefits for the teams that we support include:

For NHS trusts

- Savings.
- Streamlined inventory management.
- Improved sustainability metrics.
- Reduction in consumable waste.
- Standardised working across all hospital sites.
- Equality of all sites and specialities.
- Supports the implementation of Scan for Safety and the Inventory Management system for picking to procedure.

For procurement teams

- Simplified ordering processes.
- Enhanced data visibility and cost control.
- Simplified compliance with NHS Supply Chain frameworks.
- Increased access to NPM initiatives and collaborative agreements.
- The ability to stock share between sites due to standardised consumables.

For patients

- More efficient procedures due to enhanced range of consumables available.
- Reduced risk of delays due to missing or excess components.
- All clinical staff are working with the same process, therefore safety is consistent across the whole of the trust.

Case Study and Contacts

[Bespoke Procedure Pack Transformation at United Lincolnshire Teaching Hospitals NHS Trust - NHS Supply Chain](#)

Contact: Procedurepacks@supplychain.nhs.uk



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Total Surgical Instrument Solutions (TSIS)

Update on the Re-tender of Surgical Instruments

Surgical Consumables – Surgical Instruments



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Total Surgical Instruments Solutions: Timeline

Activity	Timeframe
Tender Closed	31 March 2026
Award	24 September 2026
Standstill	1 to 10 February 2027
ORP	1 February 2027
Contract Live	12 July 2027



What's New

- New Service Lots
- Third Party Audits for Modern Slavery
- Framework Simplification
- Supplier Rationalisation
- Product Rationalisation



Service Lots

- Full Managed Service for Surgical Instruments
- Decontamination and Sterilisation Services

What Does This Mean

- **Complete Managed Service ensuring re-useable instruments are decontaminated, sterilised and maintained**
- **Ability to access a compliant procurement route for Decontamination & Sterilisation Services**



Third Party Audits

- Third-party audits are independent assessments carried out by accredited organisations to evaluate a supplier's compliance with required standards, regulations, and performance expectations.

What Does This Mean

- Ensures Product Safety & Quality
- Strengthens Compliance & Regulatory Assurance
- Drives Supplier Accountability and Transparency
- Improves Framework Governance & Trust
- Supports Sustainability & Ethical Procurement
- Reduces Operational Risk for Trusts



Framework Simplification

- The simplified TSIS framework streamlines surgical instrument procurement by separating core instrument provision from associated services, creating a clearer, more flexible, and cost-effective model for future sourcing



Rationalisation

- Rationalised product listing – targeted to high volume instruments
- Ensuring quality of products
- Building and Developing supplier relationships

What Does This Mean

- **Reduced variation or repeated product listings**
- **Driving value through volume leverage**
- **Supporting clinical consistency**
- **Improving product quality and reliability**
- **Driving innovation**
- **Improving supplier performance**



Overall Framework Benefits

- Driving Net Zero & Sustainability
- Instrument lifecycle and support circular economy principles
- Ethical Procurement & Modern Slavery Assurance
- Lifecycle services (repair, recycling, managed service) decrease reliance on high-risk offshore manufacturing
- Strengthened ethical oversight through transparent and regulated supplier engagement
- End-to-End Surgical Instrument Coverage all covered in one unified framework
- Managed service models enable full lifecycle oversight from procurement to disposal
- Quality, Standardisation & Safety
- Product ranges undergo robust quality assurance aligned with medical device standards
- Supply Resilience & Risk Reduction
- Financial & Operational Efficiency
- Rationalised product lists reduce duplication and waste
- National aggregated demand drives competitive pricing



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Any questions?



Thank you

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Savings Reporting

Central Commercial Function

This report is Official Sensitive and not for onward sharing.



Background

- Procurement savings reported by NHS trusts, finance teams and NHS Supply Chain show significant and persistent misalignment, which has been a source of concern for a number of years.
- This misalignment leads to a lack of confidence in national datasets, undermines financial planning and distorts procurement's contribution to system-wide efficiency. In addition it leads to inefficiency for both NHS Trusts and NHSSC in terms of the resource required to investigate conflicting information.
- This issue was also highlighted by the NAO and PAC in their “NHS Supply Chain and efficiencies in procurement” review.
- In April 2024, a mandatory single NHS Procurement Value and Savings Methodology was introduced by NHSE for adoption across the NHS including NHSSC
- In summer 2025 NHS England carried out a national root cause analysis drawing on surveys, interviews and data review, to understand the variation between these procurement savings datasets.



6 Systemic Root Causes

1. Inconsistent adoption of the national value and savings methodology across the NHS.
2. Variable reporting quality and reliance on manual spreadsheets in some cases
3. Differences in treatment of forecast vs actual savings
4. Inconsistent Provider Finance Return (PFR) completion and categorisation
5. Limited understanding of NHS Supply Chain reporting and terminology which is often not aligned to NHS terminology
6. Misunderstanding of the historic NHSSC top slice model and how it relates to savings (it doesn't)

NHS Supply Chain actual savings reporting currently provides the most robust and verifiable national view of the value it delivers.



Recommendations

- Simplifying the NHS procurement value and savings methodology and enforcing compliance, supported jointly by commercial and finance leadership, to ensure that all organisations are applying the same principles
- Standardising workplan and savings reporting through broader uptake of the Health Commercial System (Atamis), alignment to mandatory national data standards and automated validation at source if local systems are used.
- Clarifying and harmonising forecast vs actual savings, including dual-view reporting for major initiatives.
- Reforming efficiency reporting schemes to be mutually exclusive and collectively exhaustive and transparent so that it is clear what is categorised as a procurement-related saving. Reinforcing consistent use of savings baselines to ensure savings are calculated on the same basis across the NHS.
- Enhancing NHS Supply Chain engagement, focussing on improved terminology, training and reporting.
- Moving towards system-level assurance of NHS Supply Chain performance using centrally verified actual (LIBRA) savings.



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Benefits Realisation

Robert Horsley

Basic Price Transactional (increase / reduction)

- Orders fulfilled by NHS Supply Chain where the pricing has been adjusted
- Base price: The price the trust paid for the same product 365 days ago. If not previously purchased, national price is used
- Evidence required: None. Calculated by saving system and monitored by Controls team



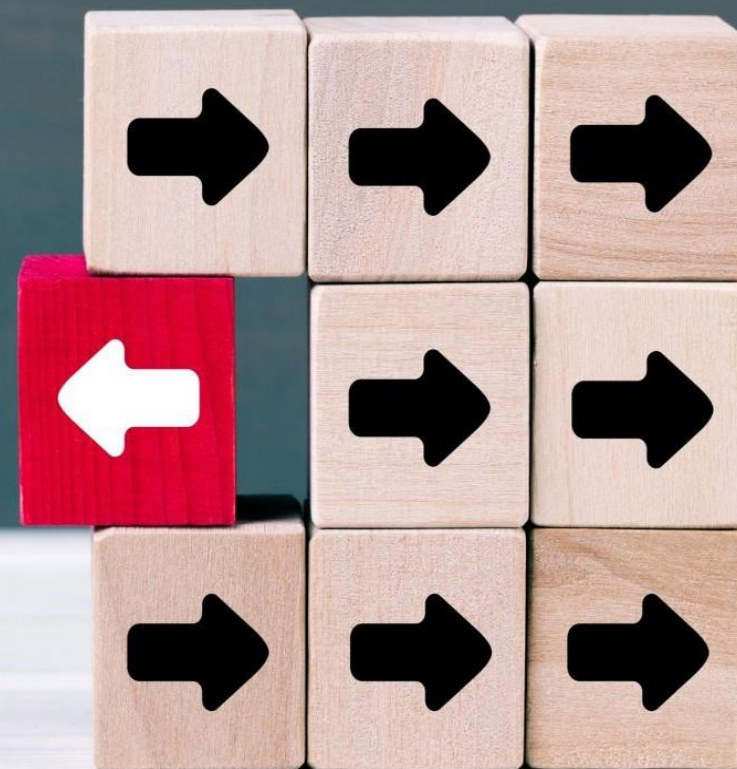
Switching to Supply Chain

- Switching from external supplier to NHS Supply Chain transacted route
- Base price: Price paid previously by trust. Lasts for 365 days
- Evidence: Trust confirmation of previous price paid, old/new products and UOI



Range Management

- Switch from current NHS Supply Chain product to a replacement NHS Supply Chain product.
- The products must be the same form, fit and function
- Can include product rationalisation (basket of goods)
- Base price: NHS Supply Chain old product price. Lasts 365 days
- Evidence: Old/New product mapping. Trust-led switches must have demand capture form and email confirmation



Discount Mechanism

- Agreed discounts based on committed product volumes or values through NHS Supply Chain frameworks
- Base price: Non-discounted price, actual cash or cash equivalent of discount/rebate
- Evidence: NHS Supply Chain/supplier transactional data. Evidence of credit including date range, payment date and value applied. Agreement must be documented



Bulk Buy

- Savings for high-volume purchases
- Discounts may be in value, percentage, or free of charge stock
- Base price: Standard, non-bulk price
- Evidence: NPC/MPC relevant to bulk buy, trust confirmation of any FOC goods received and any relevant documentation of bulk deal



Direct Sales

- Orders placed and fulfilled with suppliers under NHS Supply Chain frameworks / contracts
- Base price: Framework/List price of ordered item OR trust previously purchased price
- Evidence required: Supplier sales data and framework agreement pricing



Capital Products

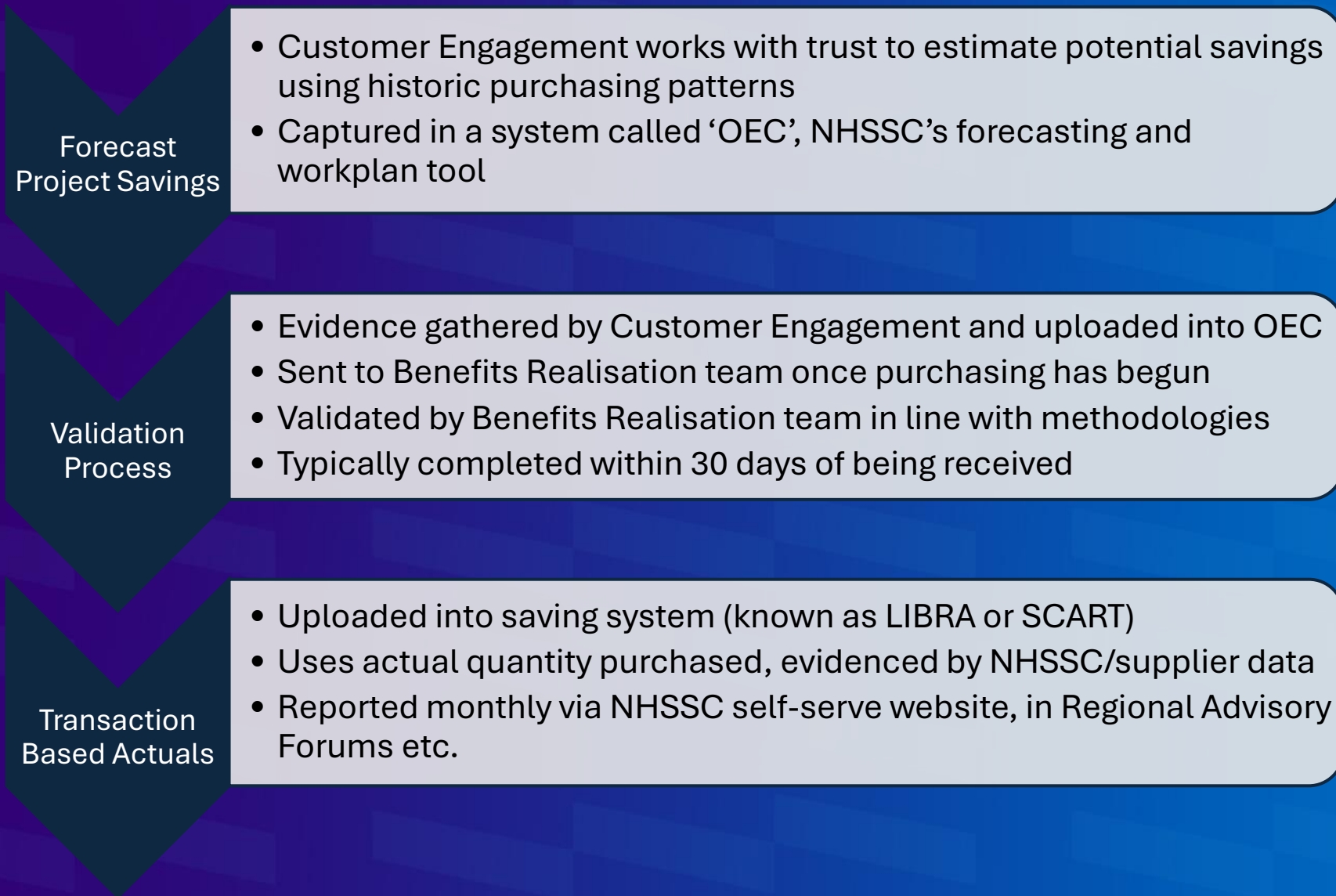
- Capital-grade equipment and associated products
- Base price:
Framework/list price
- Evidence: Proof of delivery, quote from supplier, URN confirmation



Innovation

- Access to new healthcare products and solutions
- Value Based Healthcare
- Base price: Agreed via business case
- Evidence: Agreed via business case





My Supply Chain

NHS Supply Chain Logins

Most customers should have a **single set of log in details** for these services. The links here are just 'short cuts' to the relevant parts of the same system.

[Information Log In](#)

If information on this website requires you to log in, use this link.

[TR Reports Log In](#)

Looking for your Trust Reports? Find the log in here.

[Savings Reports Log In](#)

Looking for your Savings Reports? Find the log in here.

Savings Reports

Customer procurement savings reports

Portfolio	Run
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Product	Run
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Supplier	Run
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Product Transactional incl Base Price	Run
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Log a Savings Query

Root Cause Analysis Requirements

- Clearer naming conventions for OEC forecast savings and LIBRA actuals:
- OEC – Forecast Project Savings
- LIBRA - Transaction Based Actuals
- These updated labels will be adopted across Customer Engagement communications and trust-facing reports.
- Automated trust saving reports will be updated with revised terminology once IT resource is assigned.



Any questions?



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Thank you

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