

Business Plan 2021 / 2022

Supply Chain Coordination Limited - Management Function of NHS Supply Chain



Context

Background and Context

- Chair's Foreword
- Chief Executive's Summary
- Our Offer to Trusts

Our 2021 / 2022 Corporate Strategic Priorities

- Priority 1: Anchor Our Business on the Needs of the NHS
- Priority 2: Strengthen Supply Chain Resilience
- Priority 3: Deliver Clinically Assured, Safe Products
- Priority 4: Support NHS Sustainability Goals
- Priority 5: Achieve Success with a High Performing Workforce and Highly Efficient Organisation

Background and Context



Chair's Foreword

On behalf of the SCCL Board at NHS Supply Chain, I would like to extend our heartfelt thanks to all the health and care professionals and teams who work on the frontline of the COVID-19 pandemic. I would also like to thank our suppliers, our partners, and the dedicated procurement colleagues in NHS trusts who have worked with us tirelessly to ensure the continued supply of clinical products.

I would also like to extend our appreciation to our teams in NHS Supply Chain, including our service providers, who have worked relentlessly through the year to help establish the government PPE channel; to respond to the soaring national demand for ICU products; to support the vaccine roll-out; and to prepare for End of Transition. This has all been achieved in addition to maintaining high service levels, provision of safe products, and delivering savings for trusts from our core product catalogue.

Throughout this challenging year, we have listened to and acted upon concerns from NHS trusts, and recognise that we must all do more to improve our communications, transparency and engagement. I am proud of the efforts we have already made to achieve this through the re-configuration of our customer boards, and would like to welcome Sir James Mackey as the new Chair of our NHS Customer Board, who will be instrumental in strengthening the voice of NHS trusts in our organisation. I would also like to thank Sir Ian Carruthers for his support as Chair over the past several years.

Looking ahead into 2021 / 2022, we want to ensure we are offering a well balanced service, that delivers the product savings NHS trusts need, whilst ensuring health and care professionals receive products that are safe, fit for purpose, and that meet their requirements. Our commitment to this will be underpinned by a clear focus to strengthen the national resilience of our supply chain, and deliver greater sustainability on behalf of all NHS trusts that work with us.

It will be an important year as we look to appoint our first substantive CEO, and design what our future operating model and strategy will look like. We will be doing this on firm foundations, for which I would like to thank Jin Sahota.

The key to success in 2021 / 2022 for NHS Supply Chain will be the way we work together with trusts and evolve to meet the needs of the NHS.



James Spittle

Chair

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

Chief Executive's Summary

Despite the challenges of the last year, I am proud of the role NHS Supply Chain has had in supporting the NHS deliver truly outstanding patient care under exceptional circumstances.

I would like to thank Jin Sahota for the leadership he provided to NHS Supply Chain during this time. I also want to express my gratitude to all the NHS workers for their commitment to providing unparalleled patient care, and to my colleagues and service providers who make up NHS Supply Chain for their grit and determination in supporting NHS trusts during a period of unprecedented demand.

Despite the fluctuating NHS activity levels through the year as clinical capacity was focused on COVID-19, we have still been able to deliver trust savings in excess of over £250 million, of which over £60 million were revenue savings to the front line. In addition, we launched a new savings tool in June 2020 to provide NHS trusts with easier access to timely and accurate savings reports, and introduced innovative surgical devices into the NHS through our new Robotics Framework.

In addition, we were pleased to have received a 2020 Supply Chain Award for opening the state-of-the-art Suffolk Park distribution centre, which has significantly increased our network capacity in the South of England.

We also launched a new safety process (SIREN), working with system partners including the Medicines and Healthcare Products Regulatory Agency (MHRA) and NHS England and NHS Improvement (NHSE&I), to ensure any product safety concerns are identified and mitigated at the earliest opportunity in order to avoid any patient harm.

We have also listened to feedback from trusts. We have implemented a number of improvements to our eDirect channel and our new eDirect oracle order management system went live to the first NHS trust in December 2020.

Strategic initiatives for 2021 / 2022

2021 / 2022 will be another challenging year as the NHS continues to fight COVID-19, through vaccination programmes; keeping staff and patients safe at work; and reducing the backlog in wider clinical activities through the Increased Capacity Framework.

There will be an increasing emphasis next year to ensure care is delivered as cost effectively and efficiently as possible. We will play our role in driving best national prices for our products. We will also look more strategically at initiatives such as value based procurement which considers the total cost of care, as well as enabling the introduction of new innovative devices through our product catalogue.

Chief Executive's Summary

One of the impacts of the last year has been the acceleration towards system working. NHS trusts continue to work regionally with their health and care partners to drive greater value through working together. We will also continue to work with them to develop and test Integrated Care System level solutions that align with their clinical and procurement objectives.

Our value proposition to NHS trusts is rooted in the delivery of safe, high quality and innovative products. In 2021 / 2022, we will aim to assure 90% of products on our catalogue, and will transition towards essential specifications for new contracts and frameworks tendered in 2021 / 2022. This will ensure the requirements of NHS trusts are built into the upfront design of products on our catalogue.

As our supply chain grows to meet the evolving needs of NHS trusts, we will strive to increase the value we bring to them. This year, we will prepare for the roll-out of our warehouse management system (WMS) and order management system (OMS). We will also begin embedding operational excellence tools across our value chain to ensure we utilise our scale and productivity to deliver value for money to the NHS. Additionally, we will play our part, on behalf of all the NHS trusts that work with us, in helping deliver the NHS's ambitious net zero carbon target.

Colleagues, both in SCCL and our service providers, are integral to delivering this ambitious plan. To support them drive value to NHS trusts, we will continue to invest in them to ensure they have the capabilities, training and support they need. Delivering transformation cannot be done in isolation, and we look forward to working with NHS trusts, service providers, and stakeholders, as we play our part in supporting the NHS deliver safe and excellent patient care to all.



Colin McCready

Acting Chief Executive

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

Our Offer to Trusts

Using our scale and expertise NHS Supply Chain supports the developing NHS landscape and delivers the following offer to trusts:



This offer will be delivered by our 2021 / 2022 Corporate Strategic Priorities, and is underpinned by customer centric KPIs that will be reported to the SCCL Board and through the Regional Customer Boards. What we will do and how we will deliver it will be covered in subsequent chapters in this business plan.

Our 2021 / 2022 Corporate Strategic Priorities



Our 2021 / 2022 Corporate Strategic Priorities

NHS Supply Chain has five Corporate Strategic Priorities for 2021 / 2022. These are underpinned by a transformation programme and monitored by a robust set of corporate KPIs. Where KPIs have both a contractual and a customer experience component, both will be reported in our internal scorecard, with the customer measure being used externally.

Priorities	Anchor our business on the needs of the NHS	Strengthen supply chain resilience	Deliver clinically assured, safe products	Support NHS sustainability goals	Achieve success with a high performing workforce and highly efficient organisation
	 <ul style="list-style-type: none"> • Customer Savings Delivered • Market Share • Customer Satisfaction Score • Delivered Service (Customer Experience) • Deliveries On Time 	 <ul style="list-style-type: none"> • Stock Cover • CTSP Savings Delivered • Transformation Outcomes • Transformation Delivery 	 <ul style="list-style-type: none"> • Patient Safety Complaints Resolved • Product Catalogue Assured • Assured Frameworks Containing An Essential Specification • Clinical Satisfaction Score 	 <ul style="list-style-type: none"> • Overall Achievement Against Sustainability Targets 	 <ul style="list-style-type: none"> • Employee Engagement • Financial Break-even • Cost Per Line • Procurement Cost
Corporate KPIs					

Enabled by our transformation programme and monitored through our transformation and Quarterly Business Review processes.

The business plan has been created assuming the PPE operations remain separate, and are financed separately from NHS Supply Chain throughout 2021 / 2022. Should that assumption change, the Business Plan may need to be revised.

Priority 1: Anchor Our Business on the Needs of the NHS

This section covers the following key initiatives:

Delivering a balanced value proposition that resonates with customers and meets stakeholder expectations

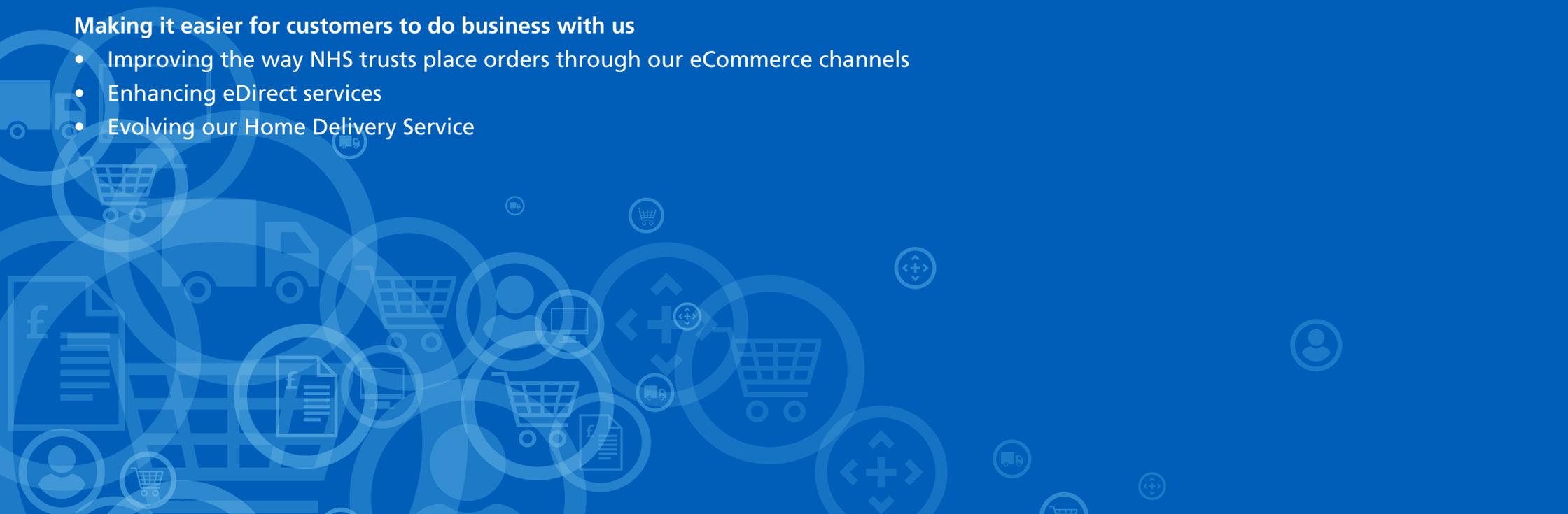
- Improving how we engage with our stakeholders
- Embedding customer centricity throughout the organisation
- Supporting delivery of the Increased Capacity Framework

Delivering savings

- Working with our NHS partners to support their Cost Improvement Programmes
- Developing Value Based Procurement opportunities with our NHS stakeholders
- Working with our partners to embed product innovation

Making it easier for customers to do business with us

- Improving the way NHS trusts place orders through our eCommerce channels
- Enhancing eDirect services
- Evolving our Home Delivery Service



Priority 1: Anchor Our Business on the Needs of the NHS

Our objective for 2021 / 2022 is to support NHS trusts to deliver safe and excellent patient care. As a business, we need to continue understanding NHS trusts feedback and future needs as health and social care shifts to “Systems by default” working. In addition, 2021 / 2022 will also bring specific clinical priorities that we must support as a consequence of the COVID-19 pandemic.

To deliver against these requirements, we will anchor our business on the needs of the NHS, continue our customer centric journey, and strengthen our external engagement. Driving revenue savings will remain a high priority, as will providing consistently resilient services, and enabling easier ways of working with us. Throughout 2021 / 2022, we want to also highlight the critical contribution we make to the NHS with our work on safety and sustainability. Both are areas where our unique national role enables us to deliver services that would otherwise be duplicated through trusts and Integrated Care Systems (ICSs).

1. Delivering a balanced value proposition, that resonates with customers and meets stakeholder expectations

1a. Improving how we engage with our stakeholders

In 2021 / 2022, we have a more proactive campaign and stakeholder management approach planned. We will build greater engagement with key stakeholder groups including health and care professionals, as well as building relationships with more senior leadership in trusts and with emerging ICS leadership teams. Based on the key areas we add value in, we will drive a proactive transparent communications campaign. We will work with our NHS trust partners to identify opportunities to deliver savings whilst increasing the volume of goods they purchase from us. Where possible, we will work with NHSE&I to leverage existing stakeholder engagement forums.

As regions collaborate through ICS constructs, or initially as Acute collaboratives, we will continue to support their aspirations to drive greater value through working together. We will invest further time with more developed ICSs to develop our ICS Strategy and pilot ICS level solutions that align with ICS clinical and procurement objectives.

Priority 1: Anchor Our Business on the Needs of the NHS

1b. Embedding customer centricity throughout the organisation

We want customer centricity to be a part of our DNA. This means continuing to build upon activity that firmly places customers at the centre of all we do. In 2021 / 2022 we will develop what customer centricity truly means for our customers, our people and our business and implement our approach to creating a customer centric culture across NHS Supply Chain.

Customer centricity relies on our people, it influences how we approach decision making, how we prioritise activity and how we think. We will first consider and understand the impact on our customers, whether directly or indirectly, of what we do and how we do it. We will focus on making it easier for customers to do business with us, providing them with a more consistent experience and improving their satisfaction with the services we provide them.

This will be delivered through a roadmap of activities, some of which are already in place, and others which will be developed and initiated in 2021 / 2022. Customers will play an important part in shaping this customer centricity roadmap and moving forward, all major programmes and strategies will be informed by and measured against both intangible and tangible customer benefits. This includes the development of our Target Operating Model, through which customers are playing a central role to help us ensure we procure service provider contracts that deliver on their needs.

Customers will also be included in discussion forums with CTSPs to ensure our procurement activities continue to align to the needs of the NHS, and we will roll-out customer champions across our organisation to help embed this customer first culture.

1c. Supporting delivery of the Increased Capacity Framework

Independent healthcare providers have played an important role in supporting the NHS throughout the COVID-19 pandemic. They will also make an important contribution to reducing the backlog of elective treatments over the four year lifespan of the Increased Capacity Framework.

To support this collaboration between NHS and independent providers, towards the end of 2020/21 NHS Supply Chain developed a consumables catalogue that independent providers can use to purchase clinical consumables at NHS prices. Throughout 2021 / 2022, we expect the Increased Capacity Framework to present new business opportunities to NHS Supply Chain and are engaging with the 89 independent providers to build relationships and identify opportunities for increasing the volume of goods procured through NHS Supply Chain.

Priority 1: Anchor Our Business on the Needs of the NHS

2. Delivering savings

2a. Working with our NHS partners to support their Cost Improvement Programmes

Whilst savings delivery is only part of our offer to the NHS, it remains a key part of what the NHS requires of us. We have an important role to play in supporting NHS trusts deliver their Cost Improvement Programmes (CIPs), and will place an emphasis on driving revenue savings. In 2021 / 2022, we will continue to utilise Spend Comparison Service data to match trust spend and volume to identify new business opportunities that deliver savings (through existing lower pricing), and provide CTSPs with pricing intelligence to review and identify where we can drive price competitiveness.

2b. Developing Value Based Procurement opportunities with our NHS stakeholders

With increasing demand for healthcare and limited financial resources, NHS trusts are operating in a challenging environment. We recognise the importance of finding innovative ways to deliver safe patient care whilst contributing to savings delivery, and understand the role Value Based Procurement (VBP) plays in this.

Over the past year, we have worked with a number of pilot trusts to identify and test VBP opportunities. These pilots focused on wound care, ward based consumables, endoscopy and endourology, cardiology,

and capital equipment. The benefits from some of the pilots included use of better quality products, as well as improved outcomes and system savings from reductions in average length of stay (~3 days), more patients being treated in their own home, improved operational efficiency, and reduced patient infection rates.

In 2021 / 2022, we will re-engage with pilot trusts, suppliers and stakeholders to confirm and share the outputs of the first pilots, with the aim of taking lessons learned and aligning them to NHSE&I priorities to support scalability of phase 2 projects.

2c. Working with our partners to embed product innovation

We are committed to supporting the introduction of safe new technologies and innovative devices for the NHS, that enables NHS trusts to provide excellent care whilst providing value for money. We work closely with the National Institute for Health and Care (NICE) and NHSE&I to do this. As the procurement partner to the Health and Care system we ensure innovations identified as priorities for adoption within the NHS are prioritised for procurement through NHS Supply Chain.

We will also work with our CTSPs to ensure innovation is reflected in our future procurement strategies so that it becomes an integral part of how we operate.

Priority 1: Anchor Our Business on the Needs of the NHS

3. Making it easier for customers to do business with us

3a. Improving the way NHS trusts place orders through our eCommerce channels

An effective eCommerce solution is critical to ensuring NHS trusts are able to seamlessly transact with us. In 2021 / 2022, we will develop our eCommerce Strategy which will shape the capabilities we need to provide a consistent and intuitive experience for NHS trusts, bringing our capabilities more inline with what is now commonplace for consumers in other industries. This strategy will be underpinned by a robust 2-3 year implementation plan.

In the interim, we will also implement a number of fixes to our existing customer facing systems in response to feedback from NHS users. These will include improvements to our online catalogue, along with improvements to our electronic demand capture system (eDC) which is used by 160 NHS trusts, and our in-hospital inventory management application (eDC Gold) which is used by 31 NHS trusts.

These improvements will help frontline care workers identify their requirements quicker as we improve our data consistency, hierarchy, and search capability. We will also extend order visibility for up to a year to allow our NHS frontline partners to quickly order products they have previously used. We will also introduce improvements that allow NHS trusts to mask products at requisition point level to support individual

trust product standardisation efforts. In addition, our eDC solutions will be upgraded to the Android platform, and we will replace the existing hand held devices with lighter, Wi-Fi enabled, more reliable hardware. This will improve the ordering experience and increase productivity within trusts.

3b. Enhancing eDirect services

Throughout 2020/21 we spoke with NHS trusts to understand their experiences of working with us. It was clear that NHS trusts experienced a variety of challenges when ordering through our eDirect channel. Last year, we started fixing many of these issues, and began engaging with our suppliers to ensure more accurate and complete information, such as lead times and product data, was published. In 2021 / 2022, we will implement a Service Improvement Programme to develop further solutions that improve customer service. A specific focus will be on improving product availability within our non-stock channel through supplier engagement, customer communications, and potential system changes.

We will also begin working on key system changes such as 3 way matching capabilities that will enable NHS trusts to match purchase orders with detailed invoices and goods receipt to support in-trust procurement and inventory management operations. In addition, we will explore introducing back order management capabilities to enable NHS trusts to view and make amendments to orders that have been placed.

Priority 1: Anchor Our Business on the Needs of the NHS

Implementing these two systems will significantly move the dial on our service offering to NHS trusts, and open up new business opportunities in the complex clinical category market segment.

3c. Evolving our Home Delivery Service

The NHS Long Term Plan identifies that treating patients in the most appropriate care settings will lead to improved patient outcomes. Throughout 2020/21, we helped our NHS trusts and partners to deliver care in peoples' homes and in care homes through our Home Delivery Service (HDS), which to date (Apr-Nov 2020) has made 299,153 deliveries of continence products on behalf of 58 NHS trusts.

In 2021 / 2022, we are committed to growing the number of NHS trusts that use HDS to support patient treatment in the community, and put HDS on a more sustainable footing so it can operate within our funding base. Next year, we will grow the number of NHS Provider Trusts using HDS from 58 to ~71, with an aim of also expanding the product catalogue available.

In parallel we will redefine our Home Delivery Strategy to ensure our service is informed by health and care professional and patient needs.



Priority 2: Strengthen Supply Chain Resilience

This section covers the following key initiatives:

Investing in our capacity and resilience

- Investing in further capacity
- Investing in core technology to strengthen resilience
- Improving visibility across end to end supply chains

Strengthening our category and sourcing strategy standards



Priority 2: Strengthen Supply Chain Resilience

Experiences through COVID-19 highlighted the criticality of ensuring a resilient supply chain to trusts, both through our delivery networks, as well as upstream through our suppliers' supply chains. It also highlighted the importance of working even more collaboratively with our product suppliers through effective supplier relationship management, and with NHS partners to support improved decision-making. Whilst the core service NHS Supply Chain provides is very stable and can cope with demand fluctuations, building resilience along the end to end supply chain from manufacturer to trust, and aligning to the government focus on supply chain resilience (referenced in the Transforming Public Procurement green paper), is a priority for 2021 / 2022.

As NHS Supply Chain expands the number of NHS trusts it serves and increases the volume of products supplied, we need to continue to invest in key tools and capacity to support this growth and to sustain the high levels of service that NHS trusts are used to. We also need to strengthen our supply performance within our non-direct stock channel, which will be addressed by the Service Improvement Programme referenced in Priority 1. It is important that we provide our products and services to trusts in an increasingly sustainable manner. Our sustainability priorities for 2021 / 2022 are covered under Priority 4.

1. Investing in our capacity and resilience

By providing a reliable and resilient supply chain, we play a vital role in supporting the NHS to provide exceptional care in an increasingly demanding environment. The COVID-19 pandemic highlighted the challenges that complex supply chains can face during periods of unprecedented demand. However, through investment in our warehousing capacity, the introduction of new technology, and improved working with our suppliers, our customers can have confidence we will continue to deliver the products they need at the right time.

1a. Investing in further capacity

In May 2020, we worked with our logistics provider Unipart to open Suffolk Park Distribution Centre. This 147,000 square foot site significantly increased our capacity in the south east of England. We also greatly increased our stock cover for key product categories. This means we are well positioned to serve the NHS as it deals with the effects of COVID-19, the waiting list backlog and any delays and disruptions that may result from the end of the EU Exit transition period.

In 2021 / 2022, we will continue to invest to increase the capacity of our network.

Priority 2: Strengthen Supply Chain Resilience

1b. Investing in our core technology to strengthen resilience

We are also continuing our investments in our technology and systems as part of our ongoing Core Technology Refresh Programme (CTRP). These investments will improve the reliability and functionality of the technology and systems that underpin our supply chain operations. Some of these systems are old, and investment is needed to make them more reliable, flexible, and agile as demand on our network continues to grow. The programme consists of three multi-year projects which over cover a new product hub database; a new oracle order management system; and a new warehouse management system.

During 2020/21, we successfully delivered the new product hub database which can hold more product data. This has enabled us to significantly add more product information, a key request of our NHS users. We will continue to populate the database during 2021 / 2022, whilst preparing for the roll-out of our new warehouse management and order management systems.

1c. Improving visibility across end to end supply chains

As was demonstrated during the pandemic, knowing the location of inventory across the end to end supply chain is key, and when deployed effectively can support more efficient supply chain flows, and improve both patient and NHS staff safety. Working with NHS colleagues, we will support work to consider how this end to end visibility can be deployed more widely, for the benefit of trusts and the efficiency of the national operation.

During the year, we will be revising our eCommerce strategy to improve the consistency, integration, and ease of use of all our technology solutions that trusts use to order from us.

We will also seek to increase use of our eDC Gold platform, which helps to increase visibility of trust inventory. The improvements to this system outlined in Priority 1 will make it easier for customers to use, and we will aim to increase the number of trusts using eDC Gold as their inventory solution by 5. We are also aware that many trusts rely on other inventory management solutions, and will work with our national partners to align on an approach to support inventory visibility going forwards.

Priority 2: Strengthen Supply Chain Resilience

2. Strengthening our category and sourcing strategy standards

To continue to deliver a high level of service, we will further strengthen our category and sourcing strategy standards by working with our CTSPs to drive range optimisation and supply chain resilience. We will commence mapping risk throughout our supply chain using our new eProcurement system and a risk management tool from NQC Ltd, taking a strategic approach focussing on those product categories that contribute to 80% of products that the NHS demands from us.

We will continue to focus on identifying alternative products and mapping these into our customer catalogue to provide additional resilience.



Priority 3: Deliver Clinically Assured, Safe Products

This section covers the following key initiatives:

Providing effective assurance on behalf of NHS trusts

- Providing a good level of assurance across our product offering
- Transition to essential specifications for all new contracts and frameworks tendered in 2021 / 2022

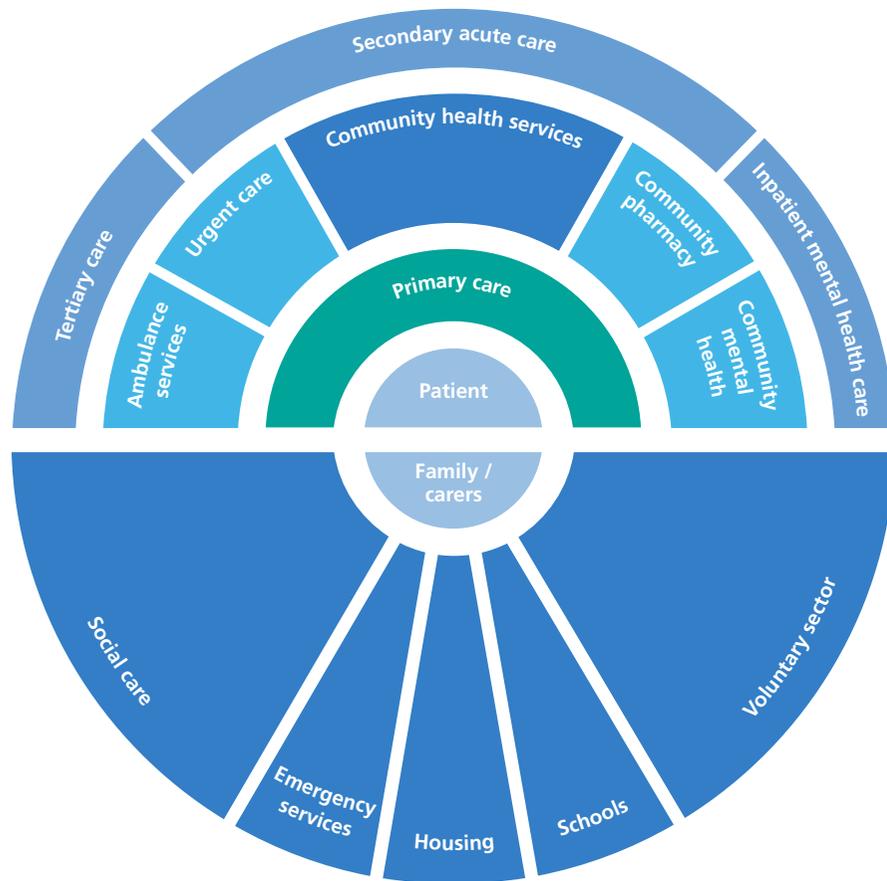
Increasing the adoption and benefit from our product safety processes

Extending our structured clinical engagement



Priority 3: Delivering Clinically Assured, Safe Products

1. Providing effective product assurance on behalf of our customers



Our approach supports improved outcomes for patients and users. It also offers better value to NHS trusts by saving time and money.

1a. Providing a good level of assurance across our product offering

Delivering product assurance on behalf of NHS trusts means that they can be confident our products are safe, fit for purpose and will meet their needs. It also informs clinical standardisation across local systems, aligning our offer with health and care partners to support the procurement of safer and better quality products.

Last year, we assured all new NHS Supply Chain frameworks, increasing the proportion of products assured on our catalogue from 40% to 70%. We will continue our progress and by the end of 2021 / 2022 expect to have assured over 90% of products in our catalogue. In 2021 / 2022 we will go further by providing an optimised level of assurance for 100% of products that form part of the Nationally Contracted Products Programme to support more confidence and better value for NHS trusts.

This year we will also work more closely with NHS trusts and wider health and care partners to align with delivery of the key priorities set out in the NHS Long Term Plan. Additionally, we will support the roll out of ICSs with innovative approaches to delivering services outside of hospital. This will be an immediate priority for next year, focussing on the rapid development of new pathways of care for diagnostics and outpatient services to support efforts to reduce waiting lists and to achieve greater efficiency for the NHS.

Priority 3: Delivering Clinically Assured, Safe Products

1b. Transitioning towards Essential Specifications in 2021 / 2022

From 2021 / 2022, we intend to transition towards Essential Specifications to drive even greater levels of customer confidence.

Working in priority pathways as identified in the NHS Long Term Plan, we will collaborate with clinical leaders at a national, regional and local level to confirm product requirements for specific clinical specialities, in line with best practice guidance and performance requirements. This will support delivery of the best possible experience of care for patients along with improved health outcomes. Essential specifications will change the way we procure products and will be codesigned with health and care professionals and suppliers and will include specific technical, product performance, human factors and sustainability requirements.

We are transitioning towards essential specifications for new contracts and frameworks let out in 2021 / 2022, with the aim of ensuring at least half of these have an essential specification completed, with Cardiology Essential Specifications being the first to 'go live'.

2. Increasing the adoption and benefit from our product safety processes

During 2020/21, we launched our SIREN process to ensure any safety concerns were identified early and mitigated against. This was done in collaboration with appropriate regulators (MHRA/HSE), with NHS trusts being informed of any potential safety issues. Our unique national remit and collaboration with system partners has enabled us to act swiftly and intervene where necessary, to avoid any potential patient harm. It was a critical year from a patient safety perspective as the Independent Medicines and Medical Devices Safety Review (IMMDS) required trusts to nominate a patient safety lead by the end of 2020.

Working with Quality and Safety teams at both national and local levels, we plan to further embed the use of the SIREN process with NHS trusts and wider health and care partners. This will improve responsiveness to safety concerns for patients and health and care professionals.

Priority 3: Delivering Clinically Assured, Safe Products

3. Extending our structured clinical engagement

Across NHS Supply Chain, we already have extensive clinical connections through Expert Reference Groups (National and Regional decision making bodies, pathway focused); Device Working Groups (leading clinicians within trusts, category focused), and growing connections with patient safety leads.

During 2021 / 2022 we are looking to:

- Expand the engagement with Expert Reference Groups and Device Working Groups as our work on Essential Specifications progresses.
- Engage and collaborate with the growing network of patient safety partners to respond more effectively to safety concerns.
- Continue to collaborate with wider partners to support a culture of continuous improvement. This will ensure products procured are not only value for money but fit for purpose, safe, and meet the needs of both health and care professionals and patients.

We will also roll out our clinical satisfaction survey to monitor customer response in health and care professional communities, and inform future priorities for improvement from a quality and safety perspective.



Priority 4: Support NHS Sustainability Goals

This section covers the following key initiatives:

Plastic Products and Packaging

Carbon Reduction

Human Rights and Labour Standards, including our commitment to social responsibility

Waste and the Circular Economy



Priority 4: Support NHS Sustainability Goals

The NHS has committed to becoming the world's first net carbon zero health system. NHS Supply Chain has a unique role to play in helping achieve this ambitious 2045 target. By delivering wholesale sustainability initiatives, we can deliver on behalf of all the NHS trusts across the country, that work with us.

Our ongoing support for sustainability reflects a long term commitment to deliver sustainable environmental, social and economic change. To accelerate delivery, we have developed our sustainability strategy which focuses on four pillars, and is underpinned by robust targets and monitoring processes for 2021 / 2022. Our strategy is the first step on our journey towards sustainable development leadership, and our approach will continue to grow and evolve over time, to ensure we strike the right balance between operational delivery and sustainable development.

The four pillars of our strategy are:

1. Plastic Products and Packaging
2. Carbon Reduction
3. Human Rights and Labour Standards, including our commitment to social responsibility
4. Waste and the Circular Economy

1. Plastic Products and Packaging

Last year, we supported the NHS wide pledge to cut up to 100 million plastic straws, cups and cutlery from hospitals. Since committing to the plastics pledge, NHS Supply Chain has saved more than 45 tonnes of single use plastics from entering the system. However, with our total opportunity at around 935 tonnes of single use plastic, we know there is much more that can be done on behalf of the NHS.

To underpin our commitment to the government's net zero carbon target, in 2021 / 2022 we will focus on areas of single use plastics where we can make a significant impact without the need for substantial investment. These areas include replacement of single use waste containers with cardboard alternatives, replacement of plastic food waste bags with alternatives made from compostable materials, reductions in plastic packaging and replacement of catering products with substitutes. In all, we will target a reduction of 350 tonnes of single use plastics from the system during the course of 2021 / 2022.

Priority 4: Support NHS Sustainability Goals

2. Carbon Reduction

Our biggest opportunity to reduce our impact on the environment comes from our logistics network. We will reduce the emissions of our fleet whilst balancing commercial and operational considerations. Our fleet replacement is scheduled for mid 2021 / 2022, and we are planning on introducing new diesel vehicles, which will reduce our emissions by 435 tCO₂e p.a. through improved emissions technologies; alternatives are not yet viable for our operations. However, we intend to enter into a flexible lease that will allow us to periodically review opportunities to gradually introduce electric vehicles where viable. In the near term, we have the opportunity to replace the lighting in all of our warehouses with high efficiency LED units.

We will also begin baselining new suppliers against carbon waste, water, and environmental management standards, by inviting 500 suppliers to complete a carbon, water and waste assessment to contribute to the wider NHSE&I sustainability initiatives.

3. Human Rights and Labour Standards

We are committed to improving human rights and labour standards throughout our global supply chain. Throughout 2021 / 2022, we will work with our CTSPs to identify the most vulnerable product categories that are at risk of poor labour standards. We will ensure that new framework procurements in these vulnerable categories include a mandatory requirement for suppliers to complete assessments for Modern Slavery and Labour Standards on the NQC portal, by inviting 300 suppliers to complete a Labour Standards Assessment online. Only suppliers that receive a 70% score will qualify for the framework.

This pillar of our sustainability strategy includes our commitments to social responsibility.

3a. Social responsibility

We want sustainability and a commitment to our local communities to be part of the way we do things at NHS Supply Chain. That is why each year we will encourage our colleagues to take three days of paid leave to participate in voluntary charitable work of their choice; we will target for at least a 15% uptake in this commitment, which aligns with external benchmarks. We will also work with our colleagues to target at least 50% of all office waste being recycled.

Priority 4: Support NHS Sustainability Goals

The role that small and medium sized businesses play in our local communities and in our supply chain is vital. Therefore, we will aim to maintain that at least 30% of NHS Supply Chain business is done through small to medium sized enterprises, where this can be achieved in the context of other business targets.

We recognise the role of the healthcare supply chain in supporting regional economic development and public health, and will work with trusts and suppliers, embedding government guidance on Social Value into the way that we work.

4. Supporting the circular economy

Reusing and remanufactured devices can help reduce the NHS’s waste and carbon footprint, as well as offer products at a much reduced cost compared to new; we will promote the uptake of these devices. We will also aim to undertake three viability assessments focusing on refurbished/recycled office equipment and refurbished low risk mobility aids during the course of the year.



Priority 5: Achieve Success with a High Performing Workforce and Highly Efficient Organisation

This section covers the following key initiatives:

Aligning our culture around the voice of the NHS

Developing a high performing workforce

Enabling success through a highly efficient organisation

- Delivering cost efficiency
- Driving operational excellence
- Enabling flexible and collaborative ways of working
- Data and analytics
- Delivering our transformation

Working towards our Target Operating Model



Priority 5: Achieve Success with a High Performing Workforce and Highly Efficient Organisation

To achieve successful delivery of this ambitious business plan, we need to continue to develop and invest in our colleagues, build the right culture and practises across the breadth of our operating model, and ensure we are operating as cost efficiently as possible.

The last year has been incredibly challenging for everyone working in the NHS. The recovery from the pandemic this year will be no less challenging from a workforce perspective, and we continue to support and engage our staff whilst many continue to work remotely.

In support of the business objectives for 2021 / 2022, we will focus on:

- Aligning our culture around the voice of the customer
- Developing a high performance workforce
- Enabling success through a highly efficient organisation
- Working towards our Target Operating Model

1. Aligning our culture around the voice of the customer

We will strengthen the organisational culture across all parts of NHS Supply Chain, ensuring the voice of the NHS, as well as a commitment to clinical safety and product quality, is at the heart of all we do.

A key part of delivering this moving forwards will be driven by the customer centricity focus referenced in Priority 1. By developing a clear shared understanding of our customer and their needs, we will be able to embed one firm customer focused culture across all service providers in NHS Supply Chain. This will be underpinned by ways of working and shared values, as well as targeted colleague competency frameworks and colleague inductions that place NHS trusts at the centre.

2. Developing a high performing workforce

A high performing organisation starts with our colleagues. Over the last 12 months we have delivered in key areas such as leadership development, organisational change, delivering a clear and robust performance framework, supporting colleagues work remotely, focusing on their health and wellbeing, and launching a new HR and Payroll Dayforce system that significantly improves ways of working.

Priority 5: Achieve Success with a High Performing Workforce and Highly Efficient Organisation

Moving forwards, we will continue to develop our people to ensure they have the skills and capabilities needed to deliver on behalf of NHS trusts, and to ensure we are continuously improving through utilising operational excellence tools.

In 2021 / 2022, we will be focussing on seven complimentary pillars of people priorities that have been designed to ensure the achievement of the business plan, through our people.

Embedding Cultural aspirations – we will deliver a programme of activities and tools to ensure SCCL has the required capabilities in areas such as change and transformation, leadership, and behavioural competencies, to drive accountability and ownership.

Organisational Design – we will ensure we have the right organisational structures to deliver our strategy and business plan.

Leadership Development Programmes – we will develop our leaders to ensure they have the capability to drive high performance to deliver our people plan.

Talent Management and Capability – we will identify new and emerging talent to create future focussed expertise.

Diversity and Inclusion, Health and Well-being – we will create an inclusive environment for all colleagues.

Colleague Voice – we will ensure our colleagues feel valued, heard, motivated and engaged. Colleague engagement will remain a priority for us and will continue through regular communications, colleague forums, business and performance updates, and focused employee surveys.

HR Process and Practices – we will work in partnership with our leadership teams to reflect the very best in employment practices.

These pillars of activity will help us ensure we deliver on this ambitious business plan, and enable us to achieve Silver Investors in People Accreditation in 2021 / 2022.

3. Enabling success through a highly efficient organisation

3a. Delivering cost efficiency

A key part of delivering a highly efficient organisation is to review our existing ways of working to ensure we are operating as efficiently and effectively as possible. This year, we have challenged ourselves to reduce budgeted costs by 5%, by identifying and delivering on efficiency savings opportunities from either pay or non-pay elements.

In addition, we want to work more closely with our service providers to ensure we are identifying and delivering opportunities to reduce our costs.

Priority 5: Achieve Success with a High Performing Workforce and Highly Efficient Organisation

As part of the Target Operating Model work, we will build into our future contracts a mechanism that increases transparency of delivery partner costs so we can work with them to secure greater value for money as opportunities arise.

3b. Driving operational excellence

This year, we will start our journey to embed operational excellence tools and methods into the way we work to support us in achieving our corporate strategic priorities and become a more efficient organisation. This will focus on creating sustainable value for NHS trusts across our end to end value offer.

It will be underpinned by building the Green Belt Six Sigma skills in the business to further increase our root cause problem solving capability. We will also start embedding a systematic problem solving framework where we will identify inefficiencies, and use root cause problem solving to implement right first time solutions.

3c. Enabling flexible and collaborative ways of working

The last year has seen a shift in the way we work, with most colleagues continuing to work remotely. In 2021 / 2022, we will pilot a virtual desktop service and new capabilities for colleagues to access our applications using their own devices. These will make it easier for our people to work from any location, whilst helping to deliver cost savings by reducing hardware spend.

In addition, introduction of new systems such as the Azure Active Directory will make it easier to collaborate on work with colleagues based outside of SCCL, such as in our CTSPs. This will be underpinned by a Unified Communication Device Strategy that will enable more seamless collaboration across devices and applications.

We will complete our customer contact centre technology to enable us to deliver an excellent customer centric service. This investment will include cloud-based contact centre technology that will deliver new customer facing capabilities for call routing, interactive voice response, chat, screenshare, and self-serve, whilst also providing our agents with better access to customer data held in internal SCCL databases.

3d. Data and analytics

2021 / 2022 will be an important year for our Data Strategy. One of our key focuses will be to develop the foundations of how we use new organisational roles and governance to manage and maintain our data going forwards. We will also start to develop the long term data architecture and data model for NHS Supply Chain. This will be done through multiple projects and programmes across the wider change portfolio rather than as a standalone activity.

Priority 5: Achieve Success with a High Performing Workforce and Highly Efficient Organisation

In parallel, we will begin to design and pilot advanced analytical capabilities. These will enable us to develop insight and intelligence to further drive operational efficiency, and improve the services we offer to trusts.

3e. Delivering our transformation

The transformation plan will deliver change to all areas of the business in 2021 / 2022. There will be an increased focus on customer improvements as we progress our eCommerce strategy alongside key programmes such as the Core Technology Refresh Programme.

We will look to deliver more of our transformation roadmap in an agile way, establishing dedicated teams with SCCL and our IT Prime, DXC to respond to the priorities of our customers and the national supply chain.

Alongside IT programmes we have established a central operational excellence team to deliver Six Sigma efficiency initiatives. This year, there will be an active focus on running improvement initiatives that deliver tangible savings to the business and improve our end to end process.

In conjunction with the wider operating model review, we will assess the requirement for IT services in the future so we can refine our IT strategy and prepare for the procurement of the IT Prime contract in several years time.

4. Working towards our Target Operating Model

The contracts we have with our service providers are due to expire over the next 2-3 years. This provides us with the opportunity to ensure we can continue to provide the products and services the NHS wants to buy in an evolving health and care landscape.

Throughout 2021 / 2022, we will undertake a strategic review of the current organisation operating model to inform our reprocurement activities. This review will be heavily influenced through structured trust engagement, as well as being aligned with principles already being developed in strategic programmes such as the Procurement Transformation Operating Model (PTOM) Programme within NHSE&I. Pending the outcome of the operating model work, the market engagement and reprocurement processes will commence during 2021 / 2022.

