

# Nationally Contracted Products FAQ - Couch Roll and Wipers

NHS Supply Chain: Hotel Services



## 1. What were the objectives of this NCP and how were the products chosen?

The main objectives of this NCP procurement activity were to mitigate requested price increases and stabilise product pricing for our customers. The products included in the procurement exercise were Couch Rolls and Couch Roll Wipers with no change to specification.

The suppliers Essity and Kimberly Clark submitted a 25% price increase request for these products in December 2018, with an expected go live date of 1 April 2019. Consequently, we reviewed the market situation including market prices, to identify the best course of action to mitigate the price increases and to reduce the cost pressure into the NHS.

Through consultation with all Paper Hygiene Framework suppliers, it was determined that a 24 month renewal of the Couch Roll NCP initiative would deliver the best value in challenging market conditions. A mini competition which requested suppliers to submit sealed bids was published in March 2019.

## 2. How did this NCP result in a cost pressure?

The first NCP initiative for Couch Rolls and Couch Roll Wipers was launched in March 2017 and resulted in a 16% price reduction. In August 2017, a 3% increase was accepted on both products due to cost pressures in the market, but this still gave an overall saving of 13%.

Since the first launch, there has been a shortage of over-issued newspaper which is used to produce both Couch Rolls and Couch Roll Wipers (this accounts for 70% of the overall product make up). Rising energy prices have also had a significant impact on the paper production process, which contributes to around 18% of the overall product make up.

The current NCP Couch Roll suppliers requested a 25% price increase in December 2018 to cover their increasing costs. We initially managed these requests through our strategic supplier relationships to ensure the raw material cost increases were not passed onto the NHS. To mitigate the increasing market cost pressures for a longer time period, we ran a new NCP mini competition to make sure the most competitive price would be available to customers as of 3 June 2019.

### 3. How do we know this NCP exercise achieved a competitive price?

After engagement with suppliers, we determined a 24 month fixed price would achieve the best longer term solution in an inflationary market. We invited framework suppliers to submit sealed bids to generate competition and drive the most competitive price to our customers. Over-issued newspaper supplies are expected to continue decreasing and energy prices are expected to continue rising, therefore by firming prices for 24 months our customers will not be subjected to further price increases during this period. Benchmarking forms part of every procurement exercise we undertake to ensure we continue to deliver competitive prices into the NHS.

### 4. If the key commodity price reduces, will this be reflected in the price of the products?

Key commodity prices are not expected to reduce. The paper production process is heavily energy intensive and there has been a reduction in the purchasing of newspapers and magazines, this has reduced the overall supply of virgin fibre (from trees) and recycled paper waste (newspapers and office waste). This has had a negative impact on price and by fixing pricing for 24 months we have protected our customers from price increases within this time.

### 5. How is the quality of the product clinically assured?

The Clinical and Product Assurance Team (CaPA) are responsible for the clinical assurance of the products that are supplied by NHS Supply Chain. The assurance framework made sure that all products meet the appropriate regulatory and quality standards required. Feedback following engagement with the NHS and suppliers was undertaken to be able to determine that the product was fit for purpose and subsequently meet the Clinical and Product Assurance framework criteria

### 6. Which products have been included in this NCP?

Couch Roll and Couch Roll Wipers

### 7. Will you still have stock of current products available when the Couch Roll and Couch Roll Wipers Nationally Contracted Products (NCP) is launched on 3 June 2019

Existing products will be available until 2 June 2019, at which point both products will only be available whilst stocks last.

## 8. Are the NPC codes changing?

As of 3 June 2019, Essity is the only NCP supplier for Couch Roll and Couch Roll Wipers. MRT359 remains the same. Kimberly Clark NPC code MJT044 is changing to a new Essity NCP code, identified as MRT396

## 9. Do I need to make any system changes to update standing orders and favourite lists?

Updates to favourites lists, standing orders and eDC requirements should be carried out by the trust in line with your normal procedures.

## 10. Are samples available?

Yes

## 11. Will the Couch Rolls fit our existing dispensers?

The width of the awarded Couch Roll line remains the same as the existing line (480mm) and should fit all dispensers. The newly awarded wiper line is within 2% tolerance for width. The products are industry standard.

## 12. What supply chain resilience can you guarantee if the sole supplier has a supply issue?

The NCP procurement process includes a range of due diligence activities to ensure there is supply chain resilience and sustainable continuity of supply to NHS customers. NHS Supply Chain holds 1-2 weeks of stock and Essity holds 4 weeks of stock as standard. However, for the purpose of the NCP sole award, they have increased stock holding to 6 weeks.

It would take a matter of days for Essity to switch production, should the lines fail in the UK. They have two manufacturing sites in Germany and both sites can produce the Couch Rolls and Couch Roll Wipers. In the event that Essity were unable to supply from the UK, they would switch their production to Germany. For any longer-term supply issues, we still have the other framework suppliers available to supply.

### **13. What will happen if I choose to order directly from the supplier?**

NHS Improvement has been engaging with trusts directly over the expectation that they will support this national programme. Monitoring of trust spend will be in place through the national price benchmarking tool and, where a trust is not participating in the national savings programme, their actions will have to be justified.

### **14. Is there a risk that existing products will be delisted too soon?**

Delisted stock lines will be listed as “available whilst stock lasts”, any outstanding stock will still be available until stock has been depleted. You can continue to utilise your stocks of the current lines until these have also been depleted.

### **15. What impact will this have on any customer commitment discounts and retrospective rebates?**

In line with the recommendations of the Carter report there is a national strategy to deliver transparent pricing. There are therefore;

- no commitment discounts/ retrospective rebates
- no local commitment discounts/ retrospective rebates
- no facilitated commitment discount schemes

### **16. What do trusts do should there be any clinical or other issue with the product allocated to their trust?**

In the first instance please contact your Customer Services Advisor.

### **17. What if my trust is currently buying a similar product at a cheaper price?**

Benchmarking prices using NHSI’s national price benchmarking tool PPIB, will highlight where a trust may be paying a cheaper local price. We would ask you to please notify NHSI and your Account Manager of these instances in order that the situation can be addressed.

**18. What support will be available to trusts during the implementation/conversion period to minimise the impact on current resources?**

Support will be available from your [Account Manager](#)

The successful supplier on the NCP programme can provide you with product training and information if required.

Information is also available via our [Clinical Nurse Advisors](#).

**19. Where can I get more detailed information?**

Please visit [www.supplychain.nhs.uk/ncp](http://www.supplychain.nhs.uk/ncp) for the latest information about the NCP programme.

You can also contact your Account Manager or Customer Services Advisor.