

PRESS RELEASE

£2.1 million savings achieved by Crown Commercial Service in first year with NHS Supply Chain

One year on, the first procurement provider to go-live surpasses savings target by £1.5 million

27 November 2018

NHS Supply Chain is proud to report that following its first year of operations, as part of the new operating model for NHS Supply Chain, Crown Commercial Service (CCS) has recorded savings of £2.1 million, surpassing its target of £550,000 by an impressive £1.5 million this year alone.

The Crown Commercial Service (CCS) is an executive agency, sponsored by the Cabinet Office, which brings together policy, advice and direct buying; providing commercial services to the public sector and saving money for the taxpayer. CCS was awarded a three-year contract in October 2017 to be the Category Tower Service Provider for Office Solutions. Office solutions products and services include office supplies, (stationery), office furniture, NHS printed stationery, batteries and torches and printable patient identification wristbands.

CCS has a three-year savings target of £4.05 million to deliver by 2020. They are achieving their savings target by:

- **Aggregation:** Working with market leaders and leveraging overall market share
- **Reducing costs:** Implementing their strategy, focussing on reducing unnecessary product spend and cost to serve
- **Alternative products:** Sourcing alternative products e.g. recycled paper/envelopes and working with the NCP savings programme which NHS Supply Chain operates on behalf of NHS Improvement
- **Customer feedback:** Sampling products widely to get feedback about appropriate core products

Jin Sahota, CEO of the new NHS Supply Chain, said: "I would like to thank everyone who has contributed to this significant achievement. The savings delivered by Crown Commercial Service demonstrates the ability of the new operating model to deliver real value back to the NHS. We look forward to our continued partnership with them."

Simon Tse, CEO of CCS, said, "We are proud of the savings we have been able to bring the NHS in our first year as part of the new NHS Supply Chain. We have a relentless focus on demonstrating value for money and will continue to leverage the collective buying power of the NHS."

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Notes to editors

About NHS Supply Chain

All information in this press release is correct at the time of going to press.

NHS Supply Chain supports the National Health Service (NHS) and other healthcare organisations in England and Wales by providing end to end supply chain solutions.

NHS Supply Chain is managed by Supply Chain Co-ordination Ltd, a limited company wholly owned by the Department of Health and Social Care. The management function went live on 1 April 2018 and manages the performance of the 11 category tower service providers along with the logistics and IT providers.

NHS Supply Chain manages the sourcing, delivery and supply of healthcare products and food for NHS trusts and healthcare organisations. It provides a single point of access to over 316,000 nationally available, transactable lines ranging from bandages to sutures, from gloves to implants, and surgical equipment. In addition, it can help plan investments in medical capital equipment such as MRI scanners, linear accelerators and patient monitors.

Its management of the procurement process negates an NHS organisation's need to tender through the Official Journal of the European Union (OJEU). Costs can also be reduced through its one-route solution that consolidates all products onto one invoice and delivery.

To ensure that its products are fit for today's healthcare market, NHS Supply Chain works with suppliers of all sizes to ensure its range embraces high quality and innovative products; and engages with clinicians, the Department of Health and Social Care and academic institutions to make sure that it is aware of the current requirements and latest developments in clinical practice.

NHS Supply Chain's product areas (Category Towers) include:

- Ward Based Consumables
- Sterile Intervention Equipment and Associated Consumables
- Infection Control and Wound Care
- Orthopaedics, Trauma and Spine and Ophthalmology
- Rehabilitation, Disabled Services, Women's Health and Associated Consumables
- Cardiovascular, Radiology, Endoscopy, Audiology and Pain Management
- Large Diagnostic Capital Equipment including Mobile and Services
- Diagnostic, Pathology and Therapy Technologies and Services
- Office Solutions
- Food
- Hotel services

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