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For Immediate Release

NHS SBS launches Commercial Procurement Solutions, a new service to drive major cost and efficiency savings for the NHS

Lord Howe, Parliamentary Under-Secretary of State in the Department of Health, visited NHS Shared Business Services in Leeds today to attend the launch of **NHS SBS Commercial Procurement Solutions**, a new business service that could drive efficiencies of more than £1 billion in NHS procurement over the next five years.

Commercial Procurement Solutions was launched following the merger of North West Collaborative Commercial Agency (NWCCA) with NHS SBS. This merger, supported by the Department of Health, represents a significant milestone for NHS Shared Business Services, which will now be in a position to offer all new and existing NHS clients a full, end-to-end procurement solution. Commercial Procurement Solutions combines the strategic sourcing and e-enablement expertise of the NWCCA with the purchase-to-pay and business transformation skills of NHS Shared Business Services.

Speaking about the new service, Health Minister Lord Howe said:

"Getting the best value for money for the NHS and the taxpayer is vital. I am pleased that this service will help NHS Trusts to manage their procurement in the most cost efficient way possible."

John Neilson, Chief Executive of NHS Shared Business Services, added: "The Government's efficiency drive means that NHS Trusts will be expected to deliver even greater savings over the next five years. By working with NHS SBS Commercial Procurement Solutions, NHS Trusts will have access to a wide range of agreements that take advantage of economies of scale and established relationships with suppliers."

He continued: "NHS SBS Commercial Procurement Solutions aims to rapidly develop health purchasing procurement skills, raise overall standards, consistency and quality of commercial capability for the NHS, and build on previous best practice."

The new service will continue to be managed by Peter Akid who steered the NWCCA from strength to strength over its five-year existence, expanding both its service offering and geographical coverage to help NHS Trusts achieve savings of more than £160 million. This new business model has the potential to continue to deliver substantial savings to the NHS whilst at the same time improving quality, patient safety and provision of services.

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Note to Editors

About NHS SBS Commercial Procurement Solutions

NHS SBS Commercial Procurement Solutions seeks to drive improved procurement and commercial efficiencies across its NHS customer base. It does this by embedding commercial best practice and ensuring value for money procurement by offering a broad range of commercial and contracting services. Blending public sector values with private sector ethos NHS SBS Commercial Procurement Solutions can maximise the NHS's enormous purchasing power not just to save money, but also to improve quality, patient safety and reduce inefficiencies. Over the past five years, CPS has helped Trusts achieve in-year savings of more than £160 million which have been reinvested to further enhance the quality of patient care.

About NHS Shared Business Services: www.sbs.nhs.uk

NHS Shared Business Services (NHS SBS) is a unique joint venture between the Department of Health and Steria, and is the market leader in business support services for the NHS. It currently provides Finance & Accounting, Payroll, Family Health Services and Commercial Procurement Solutions to all types of NHS organisations. More than 27 million people in England have NHS healthcare delivered by NHS SBS clients.

NHS SBS provides a range of value added services to enable NHS trusts to focus on strategic decision making and business improvement activities, whilst benefiting from operational efficiencies and real cost savings of between 20% and 40%.

With over 1,400 people employed and in excess of 4.5 million transactions processed per annum, NHS SBS works with over 40% of NHS organisations to deliver operational efficiencies, cost savings

and improved service quality. NHS SBS is on target to deliver substantial cost savings to NHS trusts and organisations.

NHS SBS was cited in the 2009 HM Treasury Budget Report "improving efficiency in back office functions by building on the success of NHS Shared Business Services" and also featured in the OEP final report on efficiency savings.

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