

Operational Procurement Services

Supporting NHS clients to acquire goods and services to meet daily needs



Spend Management.

Driving procurement efficiencies in the NHS is at the heart of what we do. Our expertise and knowledge ensures that we allocate spend to appropriate contracts.

For our clients we create a bespoke catalogue to ensure that information is up-to-date and accurate enabling requisitioners to purchase the goods and services they need at the right prices.

The challenge

Best practice procurement comes from robust and effective processes and procedures.

Increasing Purchase Order (PO) and catalogue usage is the first step in procurement transformation for NHS organisations to meet Department of Health objectives set-out in: the e-Procurement strategy, the NHS Procurement Transformation Programme and Operational Productivity and Performance in English NHS acute hospitals by Lord Carter of Coles.

Though increased usage, NHS organisations will improve the quality of procurement data that will lead to visibility of what they buy, how much they buy, and what they pay for goods and services. With this data they can better plan their procurement activity with the aim of rationalising suppliers, standardising products and improving pricing.

Whilst this seems simple and logical, in reality many NHS organisations lack the personnel required to undertake “the basics” as their resource is centred on patient care.

The solution

Operational Procurement as a shared service provides a cost-effective solution that operates LEAN methodology to manage demand daily to flex and scale to meet customer demand.

The service is for both catalogue and non-catalogue items that enables users controlled access to the goods and services that they require and covers:

- Catalogue and content management

Key points

- Client:** Support 28 organisations across the NHS Provider and Commissioning sector.
- Project:** Spend Management
- Timeframe:** 2011 – present day
- Result:** Manage £18.5bn including inter-NHS spend
Spend management and savings £6,760,646.
Catalogue usage across client organisations now stands at 84%.
We manage 1,950 local, regional and national catalogues and 1.7m catalogue lines.
On average we raise 360,000 Purchase Orders (PO) against catalogues a year.
93% PO lines raised within 2-days.

- Transactional processing of requisitions, in line with trust Standing Financial Instructions (SFIs)
- Sourcing of non-catalogue requirements – mini-competitions, tenders, three quotes
- End user support and advice
- Order transmission to the supplier

The knowledge and expertise of NHS Shared Business Services, plus our access to over 1,900 national, regional and local catalogues ensures that client requisitions are allocated

to appropriate contracts to deliver immediate and on-going (as repeat orders are placed) savings.

As a dedicated resource we allow NHS organisations to focus their workforce on patient care.

The result

With access to over 1,900 local, regional and national catalogues we have been able to allocate spend to appropriate contracts to drive savings that currently stand at £6,760,646.

We have increased governance and compliance by obtaining quotes for items that break the SFI threshold. By managing trust SFI's appropriately we ensure that clients comply with national regulations.

Against 1.7m catalogue lines we check requisitions against catalogues to ensure best price is achieved and raise 93% of PO's within 48 hours. For requisitions above SFI thresholds we manage the quote process in five days.

We also undertake mini-competitions or direct call-off against framework agreements for client spend. This ensures value for money.

To date we have helped drive catalogue compliance across our clients to 84% and raise over 360,000 PO's annually.

The quality data that this provides gives clients visibility that will allow them to take the next step in their procurement transformation and meet national objectives.