

Good business

Corporate Responsibility Strategy 2017/18



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Introduction from our Chief Executive



Alistair McDonald
Chief Executive

Our business strategy should be the starting point for anyone wanting to understand what and how we deliver for people and communities across the country. Each year we deliver great value for the health and care sector and play a key role in delivering positive health outcomes for millions of people every day.

We are increasingly working in partnership with other bodies to develop improvements and initiatives which will improve services, eliminate waste and create new value from the £34 billion which is directly or indirectly transacted through the NHS Business Services Authority (NHSBSA) service portfolio. The aim is to ensure the health and care system can tackle the range of trends facing the country, such as a growing and ageing population, or the move to web-enabled business models and services.

We see ourselves as an inherently responsible business. It is not an add-on or 'nice-to-have' – it's just what we do. Equally we recognise that some areas require specific focus, which is why we have sign-posted specific strategies and action plans within this document in relation to people, communities and environment and resource efficiency.

I give my full support to this strategy and commit to ensuring that we maintain the necessary resources and governance arrangements to help us achieve our vision – **ensuring we continue to be a responsible 'good business'**.

1. Introduction and links to our broader strategy

Corporate responsibility (CR) is about ensuring that we make a positive impact on society by delivering our services. It's about people, communities and our environment. It is not an afterthought – it is embedded in our business strategy as part of our vision. Put simply, it's just about doing good business.

This strategy is a public commitment of the NHS Business Services Authority's (NHSBSA) ongoing 'good business' approach. It gives details of how we assess the developing global trends facing businesses and society, the threats and opportunities they present, and our response.



NHSBSA colleagues using their volunteering time to sort donated items at the Wakefield Hospice warehouse

2. About us

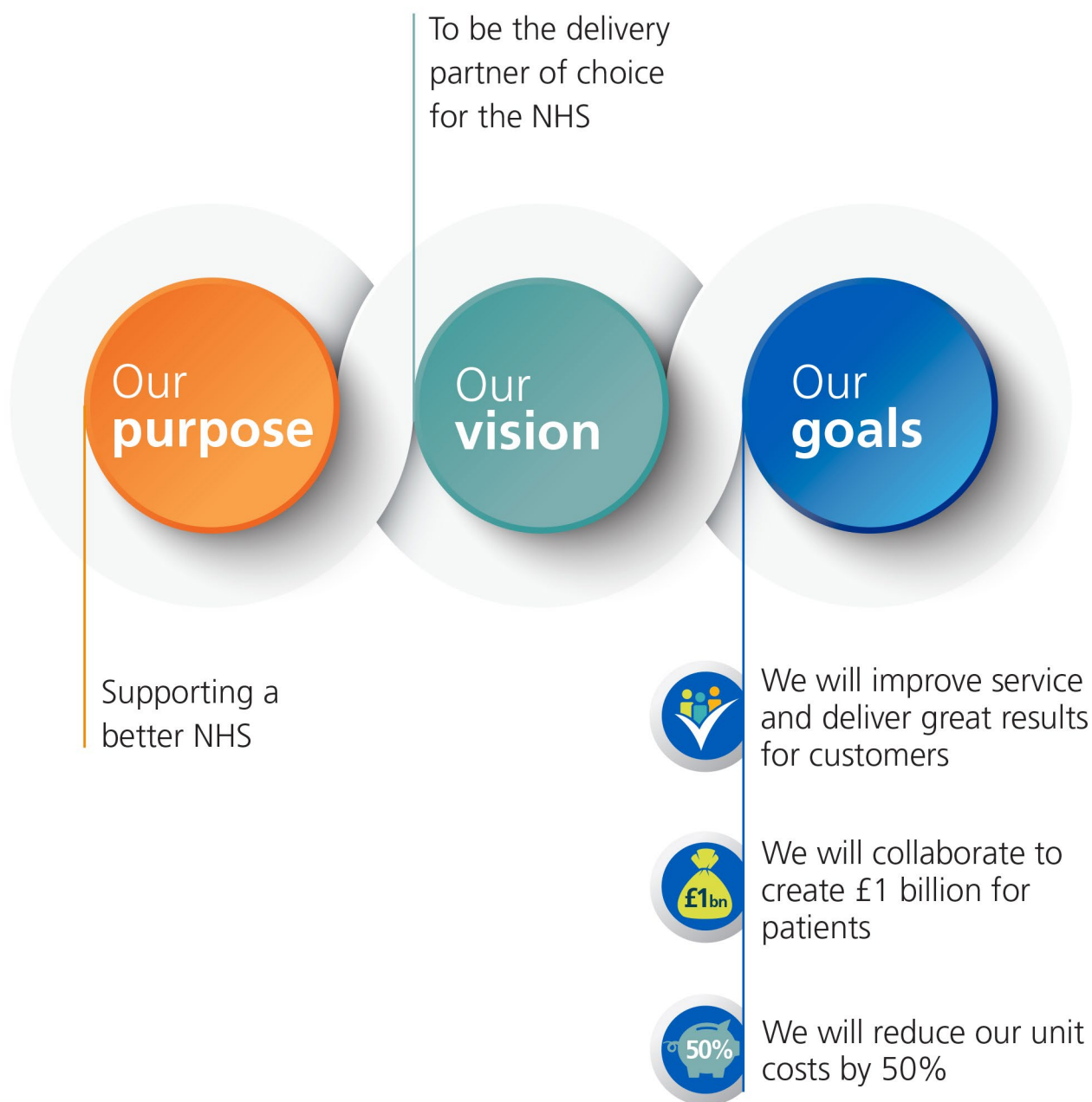
The NHSBSA is a Special Health Authority and an Arm's Length Body (ALB) of the DH. We provide a range of critical central services to NHS organisations, NHS contractors, patients and the public. The NHSBSA was created in 2006 by bringing together a number of previously separate NHS organisations. We still deliver the core range of services we started with and have taken on additional services as our stakeholders' needs have evolved (see Figure 1).

Figure 1: Our journey



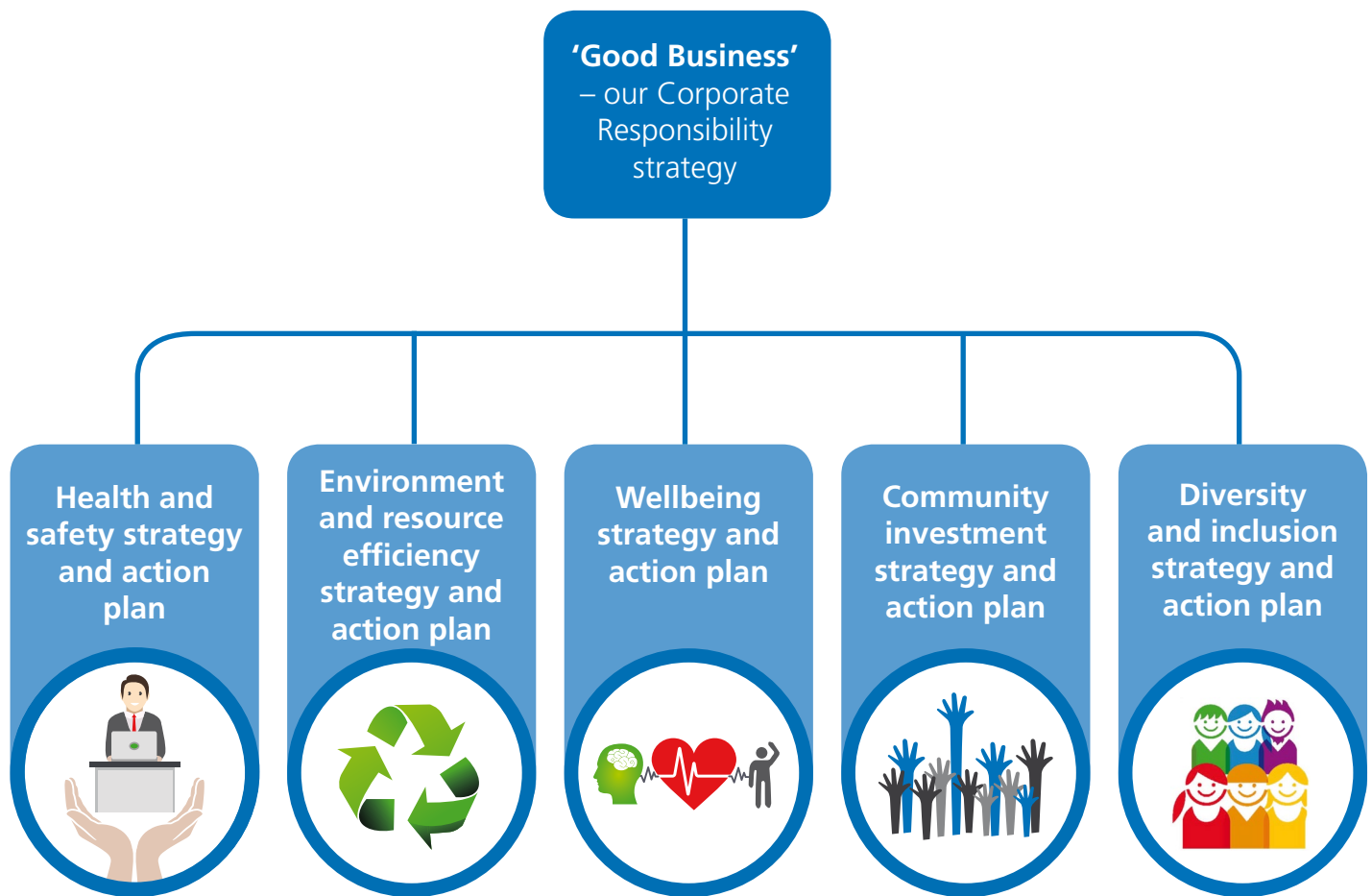
Our strategy, shown at Figure 2 below, is made up of our purpose, vision and strategic goals and has been developed to ensure we can continue to address threats and opportunities identified in the longer term. We believe that doing good business should be core to any business strategy. The [NHSBSA strategy](#) and actions in our business plan demonstrate how we are addressing the key challenges to society highlighted within our materiality review (Appendix 1).

Figure 2: Our strategy



We also recognise that some areas require specific focus. These are addressed in specific [strategies and action plans](#) (figure 3). Our CR strategy should be seen as part of our overall business strategy.

Figure 3: Specific focus strategies

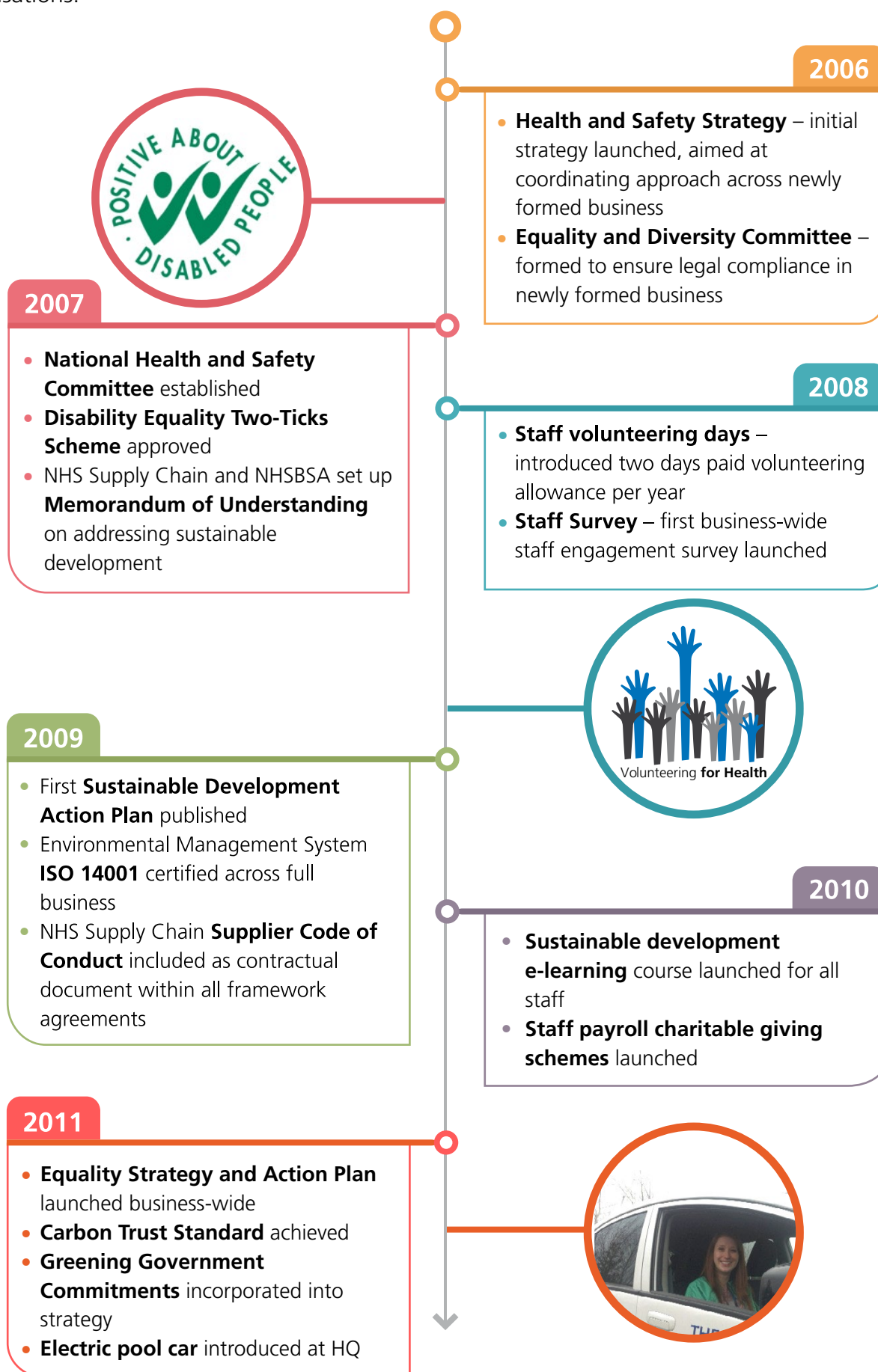


Our journey so far

Each year we continue to integrate our approach, ensuring that the material issues and needs of our customers, clients and others inform what we deliver and how we deliver it. Figure 4 shows some of the key points on our CR journey since the formation of the NHSBSA in 2006.

Figure 4: Our corporate responsibility journey

The NHSBSA was created in 2006 by bringing together a number of previously separate NHS organisations.





2012

- **Photo-voltaic cells** introduced at our Fleetwood site, producing renewable electricity
- First **NHS Sustainability Day** celebrated across business
- **Biodiversity actions** introduced to our green spaces
- NHS Supply Chain **Labour Standards Assurance System** launched
- **Staff Diversity Network** launched

2013

- **Bronze Better Health at Work Award**
- **Stonewall Workplace Equality Index** – first year of participation (310th of 370 organisations)
- **Video conferencing** integrated across entire national estate
- **Defibrillators** and trained staff introduced across estate



2014

- **Silver Better Health at Work Award**
- **Stonewall Workplace Equality Index** - moved up 116 places (194th of 397 organisations)
- **Project Choice** – first intake of students to business, providing employment experience and opportunities to students with disabilities
- Integrated **Safety, Health and Environment Team** created
- **Carbon emissions from our buildings halved** (on 2009/10 baseline)
- **Water used in our buildings reduced by a third** (on 2009/10 baseline)
- **Learning Management System** launched with role-specific Safety, Health and Environment e-learning modules



2015

- **Gold Better Health at Work Award**
- **Stonewall Workplace Equality Index** - moved up 42 places (152nd of 415 organisations)
- **Connect to Autism** – became national partner with Autism Alliance, aiming to create autism-friendly communities
- **Project Choice** – expanded to further business areas, increasing student numbers
- **Learning Development Retail Scheme** – hosting weekly pop-up stalls providing retail experience to students with disabilities
- **Bee hives** established to support biodiversity
- **Equality and Diversity e-learning** module rolled out to all staff
- **Mental Health First Aiders** introduced across business
- **Domestic Abuse Champions** introduced across business

2016

- **Over 90% of waste diverted from landfill**
- **Continuous Improvement Better Health at Work Award**
- **Stonewall Workplace Equality Index** – moved up 28 places (124th of 439 organisations)
- **Apprenticeship scheme** launched
- Participation in **Newcastle and Blackpool Pride**
- Recertified to **Carbon Trust Standard**
- **Diversity and Inclusion Strategy 2016-19** launched.

3. Our vision

This strategy covers all of the NHSBSA's activities, including its own operations and that of its suppliers. To help us form specific strategies and action plans we will consider:

- how we operate
- how we procure
- how we work with our suppliers.

For each of these areas we have the following aims:

- To maximise operational **efficiency** and have a positive impact upon the **environment**.
- To treat **employees and customers** fairly and with respect.
- To support and have a positive impact upon local **communities**.

The terms used here should be viewed as all-encompassing, and apply to both the direct impact of our operations and also the added value we create. When we talk about 'employees' for example, this could mean our direct employees, direct employees of our suppliers or the people employed in our supply chains. Equally, the term 'communities' could refer to those around our own buildings, communities across the UK benefiting from our services, or communities around the world linked to our suppliers. Our view is that by taking this holistic approach, we can deliver a broader benefit to society as a whole.

Where we should focus our efforts

Materiality assessment and stakeholder engagement

Before considering what the NHSBSA's vision and approach to being a good business should be, we need to understand the strategic context

in which we operate and the views of our key stakeholders.

Each year, before finalising our organisation's strategic goals and broader corporate responsibility strategies, we assess national and global trends to identify the material issues impacting on us and our stakeholders.

The materiality assessment is coordinated by the senior leadership members of the NHSBSA Community, Environment and Wellbeing (CEW) Committee. Each of these members provide a direct link to key stakeholders through means such as sponsor review meetings, customer and client insight work, contract management processes, etc. This ensures stakeholder views are collected throughout the year and formally recorded at least annually.



Using an electric car at our Stella House HQ has helped to make business travel more eco-friendly and reduce our carbon footprint

The assessment includes an impact score for the NHSBSA and its stakeholders (using the scoring methodology from the NHSBSA Risk Management Framework), details of threats and opportunities, and the related NHSBSA Strategic Goal and supporting corporate responsibility activity.

We have used Business in the Community's (BITC) 'Future Insights 2030' to inform our thinking around trends. These are the issues that businesses must assess in the medium to long term in order to prosper. For more information, please visit:

http://www.bitc.org.uk/issues/marketplace-sustainability/global-mega-trends/future-insights#resource_access.

The themes are:

- Climate change
- Demography
- Politics
- Resources
- Technology
- Value change

Full details of our assessment can be found in the appendix - materiality assessment.



Newcastle colleagues presenting a cheque to the local St Oswald's Hospice

4. Meeting our duties and delivering improvements

The NHSBSA has a range of legal duties in relation to corporate responsibility, including equality, health and safety and the environment. We also have a key role in improving the health and wellbeing of the public, including supporting the key actions put forward in the NHS Five Year Forward Plan. We must act as an ambassador for responsible business practice.

We recognise that a proactive approach delivers a broad range of benefits, and these are highlighted in our signposted strategies.

Added value

We also recognise that our activities, products and services, and the way we choose to deliver them, can create added value for the broader environment, society and the economy. This impact is often far greater than our immediate operational areas of focus. We aim to maximise this value, for example by assessing projects and procurement activity to enhance our added value.

Delivering our objectives

Each of our action plans give details of:

- **actions** we will take (including action owner, outcome and target deadline)
- the good business **objective** it supports
- associated **target** if applicable.

Each objective also contributes to delivering one or more of the **NHSBSA's strategic goals** (see figure 2) and these are also highlighted, along with the **broader trend** the objective is also aiming to address, taken from our materiality assessment (full details can be found in the appendix).

Responsibilities and governance

Our Chief Executive is ultimately responsible for delivering our good business approach. Further executive and non-executive responsibilities are highlighted in each strategy.

Specific areas have their own governance arrangements, documented within their own strategies. The following gives a high level summary of some of these arrangements:

Health and safety	<ul style="list-style-type: none">• National Joint Health and Safety Committee (NHSBSA formal consultative group, setting strategy, chaired by Corporate Secretary)• Local health and safety groups (local groups of staff representatives)
Community, environment and wellbeing (CEW)	<ul style="list-style-type: none">• CEW Committee (senior leadership group, setting strategy, chaired by Corporate Secretary)• CEW Staff Network (consultative group for local staff representatives)
Diversity and inclusion	<ul style="list-style-type: none">• Diversity and Inclusion Committee (senior leadership group, setting strategy, chaired by Chief Executive)• Staff Diversity Network (consultative group for local staff representatives)

Note: This list is not exhaustive.

Reporting and monitoring our progress internally

Reporting and monitoring arrangements are detailed within each individual strategy. All areas ensure regular and transparent reporting of progress to the Board, Leadership Team and all other colleagues.

Reporting progress to our external stakeholders

We publish specific details on our corporate responsibility performance in the NHSBSA Annual Report and Accounts. This contains detailed data related to our performance and progress, with commentary.

Specific areas of corporate responsibility with individual strategies also create and publish annual reports.

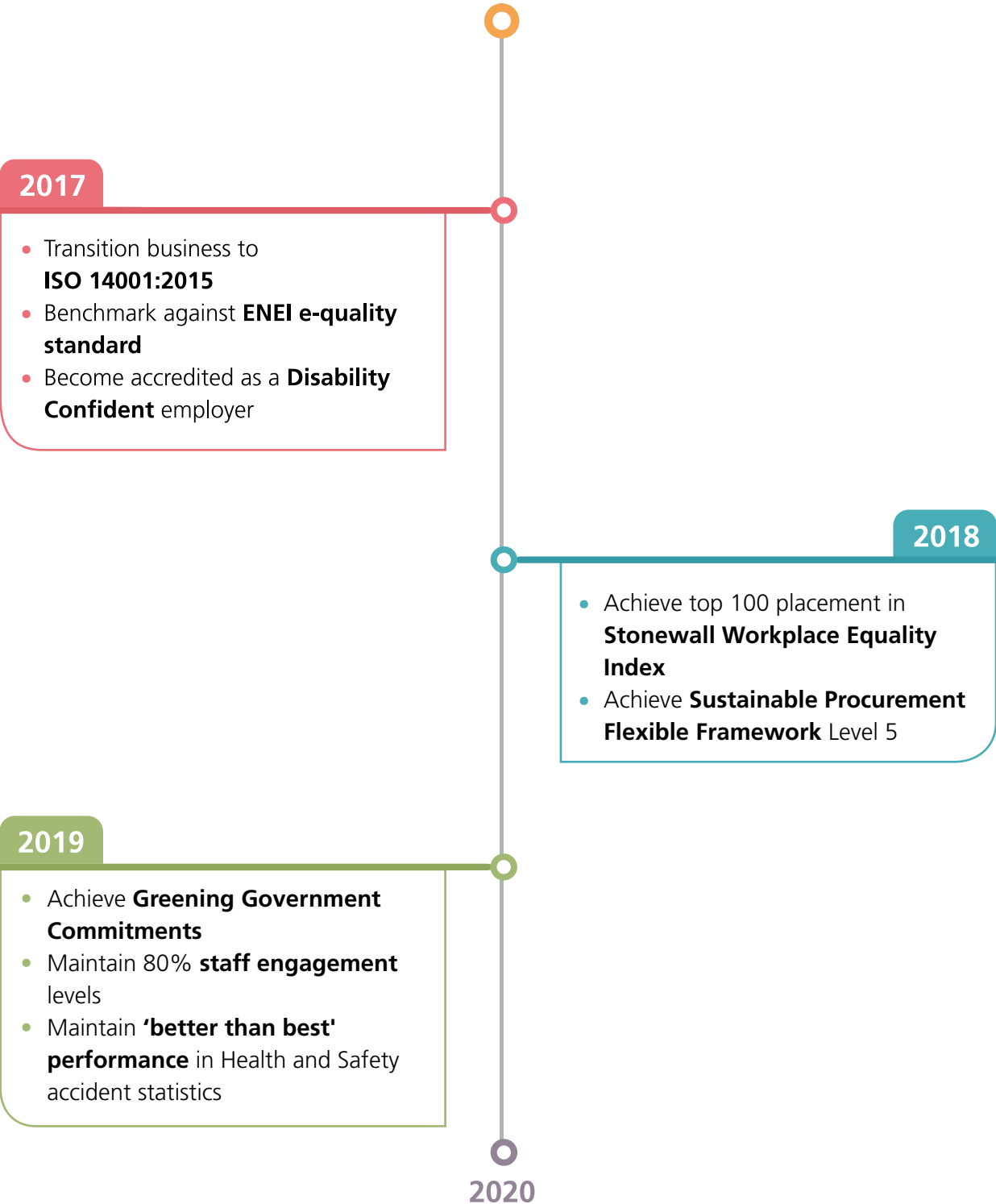
All publications are available on our website:
www.nhsbsa.nhs.uk.

Longer term approach

The material issues we identified need longer term thinking, so we've ensured that our materiality assessment work takes this into account. As well as the short-term actions documented in specific action plans, the following shows the high level roadmap of our key aspirations moving towards 2020 – aligned to our business strategy



Figure 5: Our longer-term corporate responsibility goals



Climate change

What does it mean?

We will continue to see more global weather extremes. The UK is likely to be stormier with greater seasonal variation. This will impact on infrastructure and transportation as well as production. Climate change policy and legislation will continue to evolve in the UK and globally. Supply chains will be impacted on a global scale.

Importance to NHSBSA	3	Impact criteria	Quality - Service interruption
Threats	As a result of... evolving policies and legislation around carbon, there is a risk that... costs increase and availability of resources are limited, which may result in... failure to delivery primary objectives.	As a result of... increased extreme weather events, there is a risk that... there will be an increase in damage to offices and staff being unable to attend work, which may result in... failure to deliver services.	As a result of... increased extreme weather events, there is a risk that... supply chain interruption and volatility increases, which may result in... reputational damage and costs.
Opportunity	As a result of... the need to transition to a low-carbon economy, there is an opportunity to... develop innovative services, which may result in... reduced costs and improved services, and a positive impact on the environment.		

Importance to our stakeholders	3	Impact criteria	Quality - Service interruption
Who	Service users, NHS Supply Chain customers, suppliers.		
Why	Our service users expect reliable services and business continuity in the event of extreme events. Customers of our NHS Supply Chain business depend on reliability and price stability.		

NHSBSA strategic goals

We will reduce our unit costs by 50%.

We will improve service and deliver great results for customers

Corporate responsibility activity to support strategic goals



Overview: Our strategies include carbon reduction and other resource efficiency targets. Specific actions include; ensuring our estate is efficient and requirements are included in our outsourced services; awareness campaigns; the rollout of home working and agile working practices; and the evolution of our business continuity plans.

Demography

What does it mean?

Global population will rise, with developed countries such as the UK experiencing population ageing. The workforce will be older, more diverse, and have greater caring responsibilities and health issues. Businesses will face skills shortages. The cost of health and care will rise significantly. Global pressures will lead to political and security risks.

Importance to NHSBSA	5	Impact criteria	Cost - Finance	
Threats	As a result of... an increasingly diverse customer base, there is a risk that... our services are not accessible for all, which may result in... reputational damage, legal challenge.	As a result of... population growth, increased life expectancy, health issues etc, there is a risk that... the organisation is unable to meet increasing demand on services, which may result in... increased cost pressures, reduced service levels, reputational damage.	As a result of... changes in the demography of the workforce, there is a risk that... knowledge and skills aligned to our goals are not readily available in our traditional employee pools, which may result in... failure to deliver primary objectives.	As a result of... increased cases of dementia and other conditions impacting on day-to-day living, there is a risk that... our services are not accessible for growing numbers of people, which may result in... service failures, reputational damage, legal challenge.
Opportunity	Insert opportunity: As a result of... an increasingly diverse customer base, there is an opportunity to... ensure our services are accessible to all, which may result in... enhanced reputation, positive impact on society.	As a result of... changes in demography and a need for personalised, information-based management of health, there is an opportunity to... use our data and skills to provide the health and care system with valuable insight, which may result in... financial savings, enhanced services, enhanced reputation.	As a result of... changes in the demography of the workforce, there is an opportunity to... engage with previously underrepresented groups, schools, FE and HE sectors which may result in... increasing our ability to deliver our goals, and have a positive impact on society.	As a result of... changes in the demography of the workforce and an increase in caring responsibilities, flexible working requirements etc, there is an opportunity to... promote/ rethink our HR and People policies, which may result in... a competitive advantage in the jobs market.

Importance to our stakeholders	5	Impact criteria	Cost - Finance
Who	Wider health and care system (Department of Health, NHS, etc.), service users.		
Why	The pressures faced by our sponsor and client organisations in the health and care sector as a result of population growth and demand for services is the single most critical factor on their agenda. Helping them address this pressure is their main focus. Likewise, our customers continue to expect high-quality, efficient services, as pressure on the system grows and accessibility for their increasingly diverse needs.		

NHSBSA strategic goals

We will collaborate to create £1 billion for patients.

We will reduce our unit costs by 50%.

We will improve service and deliver great results for customers.

Corporate responsibility activity to support strategic goals



Overview: Demographic change is a key driver of our strategic goals. We are improving what we deliver and how we deliver it, e.g. through digitisation and reviewing accessibility needs. We are also ensuring our policies and practices address the increasingly diverse needs of our people e.g. those with carer responsibilities. We are using our data and insight to help inform policy and practices across the health and care system.

Politics

What does it mean?

UK and global politics is becoming increasingly unpredictable and diverse. The balance of international economic power is shifting with increasing numbers of global middle-class people. There will be increased conflict including cyber attacks, competition for resources and trade sanctions. Climate change will compound resource and competition issues. There will be increased devolution of powers to regional levels. Austerity is set to continue with ongoing budget pressures.

Importance to NHSBSA		3	Impact criteria	Quality - Service interruption
Threats	As a result of... ongoing austerity, there is a risk that... the organisation is unable to meet increasing demand on services, which may result in... increased cost pressures, reduced service levels, reputational damage.		As a result of... political pressures, there is a risk that... supply chains are disrupted, which may result in... service disruption and increased costs.	As a result of... political pressures, there is a risk that... policies are introduced that restrict migration, which may result in... a shortage of skills and labour.
Opportunity	As a result of... devolved powers to regions, there is an opportunity to... access funding and support, which may result in... enhanced services.			

Importance to our stakeholders		3	Impact criteria	Quality - Service interruption
Who	Service users, NHS Supply Chain customers, suppliers.			
Why	Our customers continue to expect high quality, efficient services as austerity continues. Customers of our NHS Supply Chain business depend on reliability and price stability.			

NHSBSA strategic goals

We will reduce our unit costs by 50%.

We will improve service and deliver great results for customers

We will collaborate to create £1 billion for patients.

Corporate responsibility activity to support strategic goals



Overview: Our business is working with other organisations to drive improvements in the delivery of health and care across the system - i.e. through our Pacific programme and the information and insight we provide. All of our CR strategies are influenced by politics e.g. resource efficiency activities, reducing costs, or looking after the health and wellbeing of our people which reduces the pressure on the health service. Our community actions are focused on providing people with work and education opportunities, addressing issues around social mobility, education and employment.

Resources

What does it mean?

A growing population and expanding middle class will lead to increased consumption of, competition for, and cost of resources including energy, water and other consumables. This may lead to conflict including between nations and between businesses and communities. This will also lead to further bio-diversity losses, and uncertainty in supply chains and markets. Activism and lobbying on issues will increase.



Threats

As a result of... resource scarcity, there is a risk that... costs increase and availability of resources are limited, which may result in... failure to deliver primary objectives.

As a result of... a lack of access to investment finance for upfront costs needed to create more efficient services, there is a risk that... services are not transformed, which may result in... increasing costs, reputational damage.

As a result of... resource scarcity, there is a risk that... supply chains become unstable, which may result in... service failures, financial costs, reputational damage.

Opportunity

As a result of... the need to increase resource efficiency, there is an opportunity to... develop innovative services, which may result in... reduced costs and improved services, and a positive impact on the environment.



Who

Service users, NHS Supply Chain customers, suppliers.

Why

As resource costs continue to increase, our customers continue to expect us to deliver high quality services. Customers of our NHS Supply Chain business depend on reliability and price stability.

NHSBSA strategic goals

We will reduce our unit costs by 50%.

We will improve service and deliver great results for customers

Corporate responsibility activity to support strategic goals



Overview: Our business strategy is focused on us becoming a more efficient organisation, e.g. digitisation of our services will eliminate millions of documents being produced and circulated each year. We have continued to invest in agile working practices such as video conferencing and home working and we have targets for our operational carbon emissions, water and waste. Likewise we are working with our suppliers to increase resource efficiency e.g. NHS Supply Chain in their operations and procurement practices.

Technology

What does it mean?

Technological development continues at an incredible pace, and offers solutions to many of the world's challenges. Businesses will need to embrace technology in all areas - workforce, skills, supply chain - while operating in a world of increased transparency and consumer engagement. Customers are becoming more demanding, and expect to be engaged early in the development process. Social media has changed the way customers and businesses interact, and how positive and negative messages circulate.

Importance to NHSBSA	5	Impact criteria	Cost - Finance
Threats	As a result of... fast-paced technical development, there is a risk that... the required skill set is not readily available, which may result in... service disruption and increased costs.	As a result of... privacy and security concerns amongst customers and other stakeholders, there is a risk that... services cannot keep pace with technological possibilities, which may result in... financial costs and service disruption.	As a result of... increased government regulation on cross-border sharing of data, there is a risk that... the NHSBSA cannot use cross-border organisations, which may result in... increased costs, reputational damage, service disruption.
Opportunities	As a result of... the development of new technologies, there is an opportunity to... create innovative services, which may result in... enhanced services, cost reduction, enhanced reputation.	As a result of... the increased ability to share information, there is an opportunity to... create valuable insight for ourselves and others, which may result in... cost reduction, enhanced reputation, improved services.	As a result of... technological developments, there is an opportunity to... shorten supply chains, which may result in... cost reduction, enhanced reputation, improved services.

Importance to our stakeholders	5	Impact criteria	Cost - Finance
Who	Service users, wider health and care system (Department of Health, NHS etc.), suppliers.		
Why	The financial pressures faced by our sponsor and client organisations can, in part, be addressed by technological advances. Helping them address this pressure is their main focus. Likewise, our customers continue to expect high-quality, efficient services as pressure on the system grows, and that their information is secure.		

NHSBSA strategic goals

We will collaborate to create £1 billion for patients

We will reduce our unit costs by 50%

We will improve service and deliver great results for customers

Corporate responsibility activity to support strategic goals



Overview: The issue of technology is at the heart of our business strategy. We are digitising a number of our services and ensuring we improve accessibility. We are redesigning our approach to IT and ensuring new arrangements deliver for all users. We are using technology to gain insight from our data providing valuable input into policy decisions across the system. We are also improving our data security levels from our new IT arrangements.

Value change

What does it mean?

Value change is occurring as people make a stronger connection between their personal views and their work and consumption habits. This is coupled with a generation with a very different set of drivers and values and a willingness to share views through social media, including active campaigning. Trust of politics and business is decreasing, but with an increasing desire for regulation. People increasingly focus on 'quality of life' issues, and this has extended to the role of business and how businesses should have a positive impact on society. Attitudes to employment include high expectations of recognition and reward, but with less long-term commitment to employers. The social enterprise business model continues to be embraced, and concerns over supply-chain standards are under intense scrutiny. With ongoing government cuts, there is an expectation that businesses do more in communities to add 'social value'.

Importance to NHSBSA	5	Impact criteria	Quality - Adverse publicity/reputation	
Threats	As a result of... changing social values and customer expectations, there is a risk that... the NHSBSA culture and practices do not keep pace, which may result in... reputational damage, shortage of skilled staff attracted to the business.	As a result of... increased complexity and scrutiny of supply chain standards, there is a risk that... supplier activities do not meet public expectations, which may result in... reputational damage.	As a result of... increased social pressure, there is a risk that... government increases business regulation and transparency requirements, which may result in... increased costs, reputational damage.	As a result of... lack of long-term commitment to employers, there is a risk that... staff turnover increases, which may result in... service disruption, financial costs.
Opportunity	As a result of... increased scrutiny of business practices, there is an opportunity to... embed ethical policies and practices, which may result in... enhanced reputation.	As a result of... public expectations in relation to community engagement, there is an opportunity to... engage and support communities, which may result in... improved service delivery, enhanced reputation.	As a result of... graduates/ others seeking 'good employers', there is an opportunity to... embed ethical policies and practices, which may result in... attraction of high-quality candidates.	

Importance to our stakeholders	5	Impact criteria	Quality - Adverse publicity/reputation
Who	Service users, NHS Supply Chain customers, staff, suppliers.		
Why	Service users and customers of our NHS Supply Chain business expect high levels of assurance around the products they buy and services they access.		

NHSBSA strategic goals

We will always improve service and deliver great results for customers

Corporate responsibility activity to support strategic goals



Overview: Our CR strategies ensure we deliver great services and add value to society as a government organisation. We are changing our working practices to offer flexible working and helping people with caring or other such responsibilities. Our health and wellbeing actions are ensuring we address the issues our staff raise such as mental health issues, and increasing opportunities for physical activity at work. We are continually evolving our policies and practices e.g. as a Stonewall equality champion. We also want to embed ourselves in our communities focusing on targeted volunteering activities and engagement with our teams.