



Department
of Health

Procurement Transformation Programme



News about the Future Operating Model for NHS Supply Chain

No.5: 1 August 2017

The Future Operating Model for NHS Supply Chain will flex the tremendous buying power of the NHS saving over £600m annually – a major contribution to healthcare efficiency.

By collaborating with suppliers and leveraging the NHS's purchasing power on a national scale the Future Operating Model will be able to deliver better value for money for the NHS and the taxpayer.

The Future Operating Model is organised into eleven Category Towers, covering medical, capital and non-medical areas of the procurement spend. The FOM will be supported a new performance management and customer engagement function, the Intelligent Client Coordinator (ICC), and by a new logistics and IT infrastructure.

The first of the Category Towers to go live will be the Office Solutions Category Tower, covering areas such as office equipment and stationery. The contract has been awarded to Crown Commercial Service (CCS), a publicly owned organisation that specialises in providing commercial services to the public sector and saving money for the taxpayer. The new Office Solutions service will be up and running by the autumn of 2017.

Focus on...

...Volunteer Evaluators

Our volunteer evaluators play a vital role in helping us access and score the bids received by suppliers tendering for one or more of our Category Towers. The evaluation is a key part of ensuring we fairly and transparently make decisions about the Category Tower providers to whom we will award contracts. Training is provided

to evaluators, who will also have the satisfaction of knowing they have played a role in ensuring that the Future Operating Model helps the NHS get the products and services it needs for the best value and quality.

We are now looking for evaluators to help us with Tranche 2 of the Category Towers tender process. This covers the Capital and Non-Medical Category Towers (with the exception of the Office Solutions Category Tower which has already been awarded.)

Specifically, we are looking for evaluators with experience in the following fields:

- Large diagnostic capital devices
- Diagnostic equipment and associated consumables; laboratory equipment and consumables
- Food, catering and NHS Hotel Services

If you can help or know someone who can please contact the evaluator team at CategoryTowers@dh.gsi.gov.uk

News from the Phases

Category Tower 9 (Office Solutions)

Achievements and progress

- With around two months until go-live the emphasis is on ensuring all stakeholders know about the roll out of the Office Solutions Category Tower, responding to queries, and ensuring they understand the next steps.
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Category Towers 1-6 (Medical)

Achievements and progress

- Work on the Financial Business Case continues.
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Category Towers 7, 8, 10, 11 (Non-Medical)

Achievements and progress

- A series of Supplier Days took place last week. These enabled us to go into more detail about the FOM and what is required from bidders who have responded to the Phase 2 ITT.
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Supporting Technologies & Transactional Services

Achievements and progress

- A strong field of bidders for Supporting Technologies has been received.

- Transactional Services is progressing with approval of their OBC in order to issue OJEU in September.
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Intelligent Client Co-ordinator (ICC) Build

Achievements and progress

- Additional resources in ICC process team are now on-site and operational.
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Logistics

Achievements and progress

- We are aiming for OJEU at the end of August.
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Communications and Stakeholder Engagement

Achievements and progress

- We have held stakeholder engagement meetings with 170 Trusts.
 - We are on target to meet with all Trusts by the end of August.
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In the news

NHS 'running ahead' of procurement savings plan, says DH director

Source: HSJ, 19 July 2017

([HSJ feature about the FOM](#), quoting our Deputy Programme Director, Jim Craig.)

(Colleagues are reminded that if you have a DH or nhs.net email account you should be able to register to read HSJ articles on line. Register at: <https://www.hsj.co.uk/register>)

Please support...

Our Deputy Programme Director, Jim Craig, and his wife will be cycling from London to Paris in 4 days as a fundraising event to raise funds for their local hospice – St Elizabeth's.

“St Elizabeth’s provide end of life care and support to terminally ill patients and their families,” says Jim. “It is an amazing place doing fantastic work and they are totally reliant on donations to cover their costs.

“If you could find it within your hearts to sponsor us, no matter how small, it will make a tremendous difference to people in real need.

“You can find our sponsor page at <http://Giving.stelizabethhospice.org.uk/the-craigs-epic-charity-ride/>

Thank you all in advance for your support!”

Jargon buster

BSA	NHS Business Services Authority
CCS	Crown Commercial Service
FBC	Full Business Case
FOM	Future Operating Model
GLD	Government Legal Department
HOP	Head of Procurement
ICC	Intelligent Client Coordinator
IOM	Interim Operating Model
IPA	Infrastructure & Projects Authority
NCP	Nationally Contracted Products
NHSI	NHS Improvement
NHSSC	NHS Supply Chain
OBC	Outline Business Case
OJEU	Official Journal of the European Union
PPIB	Purchase Price Index and Benchmark
PTP	Procurement Transformation Programme
ZCIT	Zero Cost Innovation Tariff

The Future Operating Model...



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