

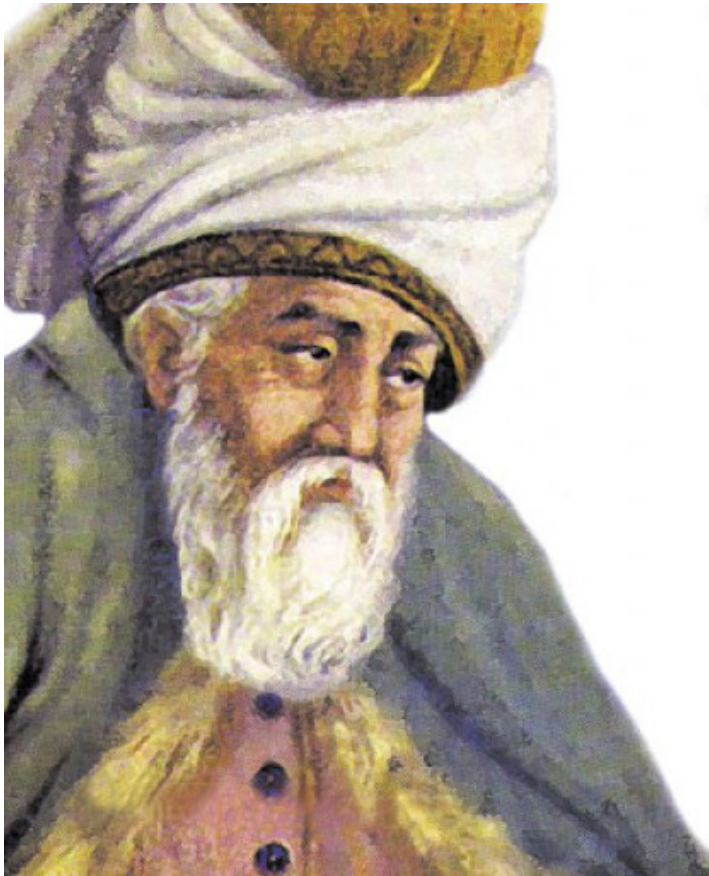
# Procurement Solutions – National or Local?

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Yesterday I was clever,  
so I wanted to change  
the world.

Today I am wise, so I am  
changing myself.

*Rumi*



# National Procurement

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- The centre of expertise for procurement for NHS Scotland
- Part of a broader Procurement, Commissioning and Facilities organisation
- Manages all collaborative contract solutions for NHSS



# Big is Beautiful...?

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**Value for  
Money**

**Work together  
to reduce  
waste and  
improve  
leverage**

**Budgets are  
reducing, cost  
savings need to  
be found**

**Consolidate back  
office functions  
frees up time for  
clinical staff**

**What about local  
suppliers?  
What about  
communities?  
What about the  
patient?**



# Small is Beautiful...?

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**Local  
Flexibility**

**Protects local  
economies  
and jobs**

**Ensure local  
solutions for  
local  
requirements**

**Its not about  
cost its about  
value!**

**What about consistency?**  
**What about open  
competition?**  
**What about the patient?**

# A tricky balance...

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**Aggregated Demand  
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Aggregated Supply**



## Other Considerations

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- Scottish Government Priorities (Economic Development, Sustainability, Local vs. National, Public Sector Collaboration)
- Health Board Changes – severe pressure on budgets
- Considerable media focus on quality of hospital food
- Market pressures– confusion between retail prices reducing due to competition vs. commodity pricing affected particularly by supply and demand
- Allergens, Listeria guidelines, Nutritional declaration, etc.
- Resilience, continuity of supply, consistent quality and pricing for all areas
- Suppliers and supplier development – many of the NHS Scotland tenders are seeing very limited tender responses with several key areas reliant on 1 or 2 key suppliers





## Directive Changes and the Reform Bill

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- Any public body that spends **£5 million** or more in any financial year to have a Corporate Procurement Strategy that sets out how it intends to carry out procurements regulated by the Act.
- In addition, the public body must prepare an annual report on how its procurement activity has complied with its procurement strategy and expected future regulated procurements.

**That's 22 Health Board strategies**  
**32 Local Authority strategies...**



# The Strategy

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- Explain how it intends its approach to regulated procurements involving the provision of food to:
  - (i) improve the health, wellbeing and education of communities in the authority's area, and
  - (ii) promote the highest standards of animal welfare
- And describe how the authority intends to achieve prompt payment in the supply chain

# And the answer is...?

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## And the answer is...?

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- Solutions need to be integrated
  - a contract is only part of the picture
- Big is beautiful, but so is small!  
We need to create an “and / and”
- ‘Expand the box’. Food may be the product, but what about social value, community benefit and the patient experience?



# Finally

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*“Let food be thy medicine and medicine be thy food”*  
*Hippocrates*

## **Food can:**

- Contribute to reducing health inequalities
- Bridge health and social care
- If it was a device it would be a Class III
- If it was a procedure it would have a QALY
- It's not just a commodity..!



# Foodmatters

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