

PROCUREMENT STRATEGY 2014 - 2017

Our Procurement Strategy sets out the Vision and Strategic Aims which direct and govern our procurement activities.

It outlines the methods by which we deliver our Strategy and contains an action plan setting out our overall “direction of travel” and specific actions over a three year period to achieve our Strategic Aims.

Our Procurement Strategy has been approved by our Senior Management team and is aligned to our Delivery Plan timescales.

Date of last review: 2nd October 2014.

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1 Strategic Overview

The NHS is facing an unprecedented challenge. It is committed to transforming outcomes for patients and to playing a role in minimising inequalities within and between communities. A Call to Action forecasts a financial gap of around £30 billion by 2020/21, and the affordability challenges in 2014/15 and 2015/16 are real and urgent.

The proper management of Procurement is essential to the efficiency and effectiveness of clinical and support services. Patient care depends on the assured availability of quality equipment, materials and services. Accountability for the expenditure of taxpayer's money requires that sound economic decisions are taken in relation to procurement.

Delivering value for money from procurement is not a standalone objective as it is internally linked with patient centred objectives for better health and wellbeing and better care. It will not be about working harder but working smarter to maximise opportunities. In an environment of continual improvement, trusts shall identify and deliver changes in the way that services are organised and delivered, which will improve patient care and health outcomes and at the same time provide better value for money.

This Strategy focuses on delivering world class procurement from a world class brand and settings that benefit both patients and staff and which meet the aims and objectives of all clients and the local health economy. It will define the actions to continue the journey of continuous improvement in procurement over the next three years, aligned with the national strategy and standards that are considered to be best in class and deliver value into the patient pathway.

This strategy which sets out the overall vision of being recognised as “world-class, leading the field through innovative healthcare solutions focused on the best outcome for our patients delivered in a safe, caring and inspiring environment with quality at the heart of everything. We will incorporate research and innovation into all aspects of our services.”

Through its twelve strategic procurement themes, SoEPS sets out to realise this ambition, aligned to the strategic context articulated in the NHS eProcurement Strategy:

- A realignment of the service closer to organisation requirements
- Leading the way with transparency of data and Governance
- Building on Innovation and creativity
- Offering leadership and vision in engagement and behaviour changes at every level in procurement

- Improving patient quality through procurement wherever possible
- Support and help lead the organisation in growth
- Create capacity through being efficient and doing things differently
- Add value through everything we do with continued support and delivery of Cost Improvement plans and income plans.

2 Introduction

The purpose of the Procurement Strategy is to set out the vision and strategic aims which direct and govern our procurement activities. This document outlines the method by which we deliver the strategy. It also contains an action plan setting out our overall “direction of travel” and specific actions to achieve our strategic aims.

The Strategy has been developed to ensure that an effective and consistent approach to procurement is taken by NHS South of England Procurement Services (SoEPS). This Strategy has been both informed, and influenced by a number of National, Regional, and also local factors.

SoEPS was renamed in 2013 to better reflect its’ broad client base and make ready for the future environment. Initially launched in 2006 as Solent Supplies Team we have continued to develop into a flexible and robust procurement service that provides all aspects of Procurement and recently commercial activities traditionally outside of Procurement.

The service includes end to end procurement processes, strategic procurement across all sectors, supply chain management, advanced inventory management, legislative and legal procurement advice, procurement training, operational systems, data analysis and benchmarking via best in class tools.

All of this is delivered on modern and advanced systems, supported by robust systems and governance procedures, which will be fully certified via the Chartered Institute of Purchasing & Supply following award in April 2014.

The benefits of effective procurement are that it is an important enabler towards securing the right goods and services at the right price on time and should be closely aligned to organisation goals. Essentially the procurement process covers a full lifecycle of activities starting with the identification of needs, through to evaluation, purchasing, effective supply chain management and replenishment, and finally contract management.

Fundamentally there is a direct link between good procurement and the delivery of high quality and cost effective services to clients. It affects every element of our business, from goods to services, to buildings and resources, to the staff we employ via external sources. Procurement is a science that is undertaken by all of us just at differing levels of success. At SoEPS the aim of our professionally qualified team is to

bring a common output to aggregate NHS demand to the benefit of the NHS and our patients.

SoEPS have formulated previous procurement strategy around numerous national initiatives and White Papers including Goods for Your Health, NHS Operating Framework, World Class Procurement and commissioning through papers from NAO and PAC, Raising our Game and finally Better Procurement, Better Value, Better Care. This strategy pulls on the latest national direction and our experience and success in the delivery of procurement activities.

3 National Drivers and the Current Landscape

Effective procurement is high on the government's agenda. The importance of getting procurement right is reflected in national strategies and developments and there are a number of key drivers:

- *The Better Procurement, Better Value, Better Care: A Procurement Development Programme for the NHS* (August 2013)
- *Putting Patients First: The NHS England Business Plan for 2013/2014 – 2015/2016.*
- *Everyone Counts: Planning for Patients 2013/14*
- *Procurement Development Programme*
- NHS Standards of Procurement (June 2013)
- *Health and Social Care Act 2012*
- Value for Money Delivery Agreements
- Comprehensive Spending Review 2013

It is however, important that NHS organisations observe and support this national direction in a way to ensure they continues to push the boundaries and do not become in anyway distracted by purely focusing on national direction at the expense of local successes.

4 Procurement Vision

The overall aim of SoEPS is expressed in its vision statement as:

“to provide an effective and transparent procurement service leading the way with innovative, best value procurement, commissioning and supply chain solutions focusing on the best outcome for our clients delivered by professional and highly effective teams”

This aligns with our aims to ensure that procurement:

- Contributes to delivery of the client strategic objectives, budgets, Delivery Plans and Value for Money Strategies;
- Supports the delivery of quick win savings in common goods and services categories;
- Actions improvements outcomes for patients at lower costs through clinical engagement;
- Helps to deliver the best possible value for money and improvements in service delivery arrangements;
- Is planned and undertaken in a structured, controlled and co-ordinated way;
- Educates and develops all involved in procurement and commercial activities however small;
- Improves outcomes for patients at lower cost and through full clinical engagement;
- Innovates and implements improved procurement performance metrics for clients
- Encourage transparency by all parties throughout the procurement journey;
- Focuses less on year-on-year savings, and more focus on long term 'value';
- Performance indicators and strategic work plans are refreshed to present more detailed and comprehensive spend data, demand, contract compliance together with measures for transactional efficiency and performance against carbon reduction targets;
- Sharing best practice in ethical procurement, good governance and compliance across the health economy;
- Continues to provide innovative services and solutions, and innovative technology to improve services and generate efficiencies;
- Improves data, information and transparency including the adoption of GS1 coding standards;
- Implements a dashboard of procurement performance metrics for Trusts;
- Develops, procures and implements a single NHS spend analysis & price benchmarking service;
- Establishes and develops collaborative partnerships, opportunities, and new and more effective ways of working;
- Maximises procurement influence on the non-pay spend;
- Develop a 'People strategy' with long-term investment to develop, attract and retain talent.

4.1 Mission Statement

SoEPS, as the procurement management organisation providing full procurement services, has a major part to play in working with our clients in formulating, developing and delivering this vision. Our mission statement is:

“To be the provider of choice by combining effective and strategic quality procurement services through superior customer service, innovation, quality and commitment.”

We also have eight Strategic Objectives and eight Strategic Priorities which are reviewed annually along with our annual action plan:

4.2 Strategic Objectives

- Provide a service which directly benefits patients and our clients.
- Provide a service that is professional and efficient.
- Provide a service that is transparent and accountable.
- Comply with all EU regulations, National Legislation and Client policies.
- Make best use of all systems to enhance the service to our clients.
- Work closely with our clients and the end users.
- Raise the profile of SoEPS at all levels throughout our clients, regionally and nationally.
- Promote ‘best value’ throughout our service.

4.3 Strategic Priorities

- Achieve savings, return on investment and operational targets.
- Add value to the procurement service for our clients.
- Deliver a flexible and robust procurement service.
- Develop, monitor and manage the supply chain.
- Measure, monitor and communicate performance regularly, to inform our clients and improve our business processes.
- Implement systems and processes that make SoEPS more efficient.
- Ensure any changes deliver value and efficiencies for the business and our clients; and are communicated effectively.
- Work closely with our clients and other stakeholders to achieve their business objectives.

4.4 Conduct

Effective procurement is vital to ensuring our vision and strategic objectives are delivered in the most ethical, appropriate and economically advantageous way.

Our work will be underpinned by the following basic principles:-

- Display a positive belief in the value of all staff, clients and anyone we engage with to deliver our services.

- Be committed to working together at all levels within each client organisation and stakeholder group.
- Actively listen and build an atmosphere of openness and trust
- Build team spirit and commitment.
- Ensure attention to detail.
- Share knowledge and skills to achieve appropriate solutions to business problems.
- Help colleagues' problem solve and use their own strengths to resolve tasks and challenges.
- Maintain clear and concise communication.

5 Procurement Strategy & Strategic Themes

5.1 Delivery of the Procurement Strategy

The Procurement Strategy will be delivered in the wider context of our Delivery / Action Plan. The Strategy is a key part of our commitment to ensure that we provide accessible and responsive services which are cost effective.

We will achieve our strategic aims for procurement by delivering the activities contained in the Action Plan in Appendix 1 of this document. During the summer of 2014, SoEPS will also start to develop and mature a business development model aligned to current landscape to maximise its position in the markets and benefits it can bring to its business.

5.2 How we will monitor our Strategy

The SMART (Senior Management Active Review of Tasks) group, within SoEPS will review progress against the Action Plan on a quarterly basis and an annual report will be submitted to our host Trust and clients providing an update on progress.

5.3 Overview of our Strategic Themes

Consistent with the NHS Procurement Strategy "Better Procurement, Better Value and Better Care" (August 2013) four key areas underpin the components of the strategy which are:

Partners

Process

People

Leadership

As outlined in the Fig.1:





Fig.1

SoEPS have taken these broad 4 themes and categorised them into 12 **strategic aims** which reflect a comprehensive approach. This will allow focus on key aims to achieve both the National Procurement strategy and the Trust’s strategic goals (Table 1).

Theme	Strategic Aims
Efficiency and Effectiveness	Efficiency and value for money
	Technology
	Governance and accountability
	Standards and controls
	Risk management
	Performance management
	Training and Development
Social Responsibility	Sustainability (social, economic and environmental)
Client Focus	Focus on service needs
	Client engagement
Partnering and Collaboration	Constructive partnerships
	Innovative collaboration

Table 1

5.4 Efficiency and Effectiveness

5.4.1 Efficiency and Value for Money

We will use the “four Cs” - challenge, compare, compete and consult - to deliver efficiency and value for money across all of our services including:

- Service monitoring;
- Service Level Agreement Reviews;

Our Procurement strategy is closely aligned to the Best Value for Money strategic mantra. This is achieved through working closely with strategic partners and closely aligning ourselves with those strategic markets.

Our Ethos is around an output orientated approach achieved through the right inputs, best systems and process to support tangible deliverables.

5.4.2 Procurement Technology

We will support and innovate the development of a strategic and enduring technology evaluation and adoption process, with clear entry points for the NHS and industry and rapid access to support. This is being driven in SoEPS through continued enhancement in capability of tools such as Contracts Data base, Sourcing tools and bench marking analytical tools.

Support the establishment of a single, nationally lead, NHS GS1 data pool, a Product Information Management (PIMS) system and interoperable messaging platform; in line with National Strategy.

SoEPS are currently on the National E-enablement group, which is driving change and bringing the adoption in leading regionally on GS1 adoption, which is currently being led locally by our Supply Chain team.

5.4.3 Governance and Accountability

We will establish strong and effective governance. Our Procurement Lead (Governance and Legal) will play a key role in implementing, developing and monitoring the Procurement Strategy and all related policies.

We will report on progress and evaluate the effectiveness of this Strategy which will contribute to continual improvement in all aspects of our procurement practices.

Our policy on communication and engagement with all stakeholders (client service users, clients, partners, staff and suppliers) will contribute to the transparency and accountability of the procurement process.

We have established governance arrangements to provide leadership and clear direction to all of our procurement activities and we are continuing to further develop and strengthen our overall governance arrangements through Chartered Institute of Purchasing and Supply (CIPS) certification and corporate membership (Fig. 2) and the oversight by a Non-executive director with a procurement portfolio as outlined in Government Strategy.

CIPS Certification Process



Fig. 2

It is also vital that Client boards' provide earlier visibility of strategic intent to allow procurement activities. This focus to be aligned with client's vision helps to facilitate a stronger commercial and procurement support at board level allowing us to extend our breadth of offering and overall coverage.

The key groups and individuals are outlined in Table 3.

Level	Overall governance
Non-Executive Director (NED) Champion	Critical scrutiny and challenge of overall procurement processes and governance.
Directors of Finance/ Chief Finance Officers	Responsible for Service Level Agreement reviews
Director of Procurement and Commercial Services	Responsible for major procurement and quality monitoring of Service Level Agreements
Heads of Procurement	Responsible for Procurement Services
SMART (Senior Management Active Review of Tasks)	Responsible for ensuring all managers briefed and trained in best practice, governance and service procurement

Table 3

5.4.4 Standards and Controls

We will ensure that all of our procurements comply with legal requirements and regulations. Our procurement practices must also meet Chartered Institute of Purchasing and Supply (CIPS) values and high standards of ethics and good governance. Some of the key standards and controls which are relevant to procurement are summarised below:

- Procurement law and the regulatory framework**
Procurement is governed by a number of legislative and regulatory sources. The SMART group will draw on guidance from SoEPS' Procurement Lead (Governance and Legal) and/or other legal advisers as required.
- Financial regulations and Standing Orders**
All procurement must be legal, ethical and transparent. Nationally recognised Codes of Practice are followed to ensure that these obligations are met. The rules are contained in the following documents:

- Standing Financial Initiatives (SoEPS follows Standing Financial Instructions)
- Standing orders (SoEPS follows Standing Orders)
- Financial Regulations (SoEPS follows NHS Financial Regulations)

A SoEPS intranet site is available to SoEPS employees and includes all procurement policies, processes and procedures together with a tool kit and standard documents. This ensures there is ready access to rules and procedures and also reduces the requirement for administrative and professional support. Procurement guidance is also available from the SoEPS website for use by our clients and partners.

SoEPS have recently participated in formal Chartered Institute of Purchasing and Supply (CIPS) certification. SoEPS are aiming to achieve the prestigious Standard of Excellence award and then work towards the Chartered Institute of Purchasing and Supply (CIPS) Advanced level award.

Our Internal Controls Framework is reviewed on an annual basis to ensure all the necessary controls required are in place and operating effectively. This is externally audited and the formal audit report feeds into our annual Action Plan.

Whistleblowing

We are committed to the highest possible standards of openness, probity and accountability. We encourage and expect employees and other people we deal with who have concerns about any aspect of our work to come forward. SoEPS adhere to the CIPS code of ethics and embrace the 4 principles (Fig. 3):

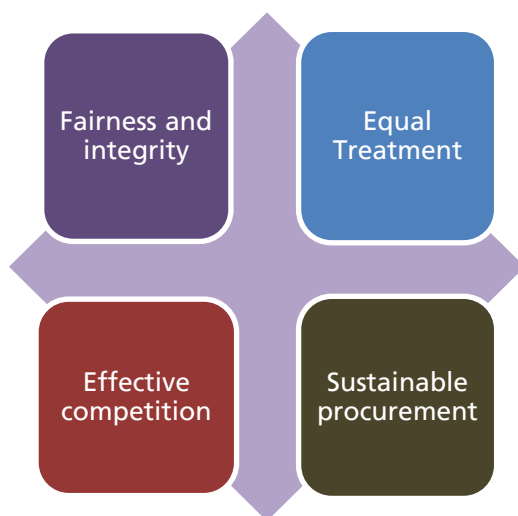


Fig.3

5.4.5 Risk Management

We are committed to a risk-based approach to all aspects of the procurement of goods and services.

One aspect of risk management is evaluating and determining the capabilities of suppliers and contractors with whom we may do business. We will achieve this by:

- Building pre-qualification into the procurement process for contracts in accordance with Financial Regulations;
- Pre-qualifying all contractors and suppliers with whom we have framework arrangements or who form part of any standing list we may operate;
- Monitoring performance / key outcomes of contractors.

Risk management is built into our procurement processes from tendering through to procurement and contract management. However a recent review by Newton Consulting (Fig. 4) (May 2013), reflected that “Regular forums with suppliers and supplier management could be better”. To allow the full procurement cycle to be developed it will require a resource focus in this area if we are to continue to further develop and provide world class procurement services to align with Strategy and best practice.

Procurement Assessment

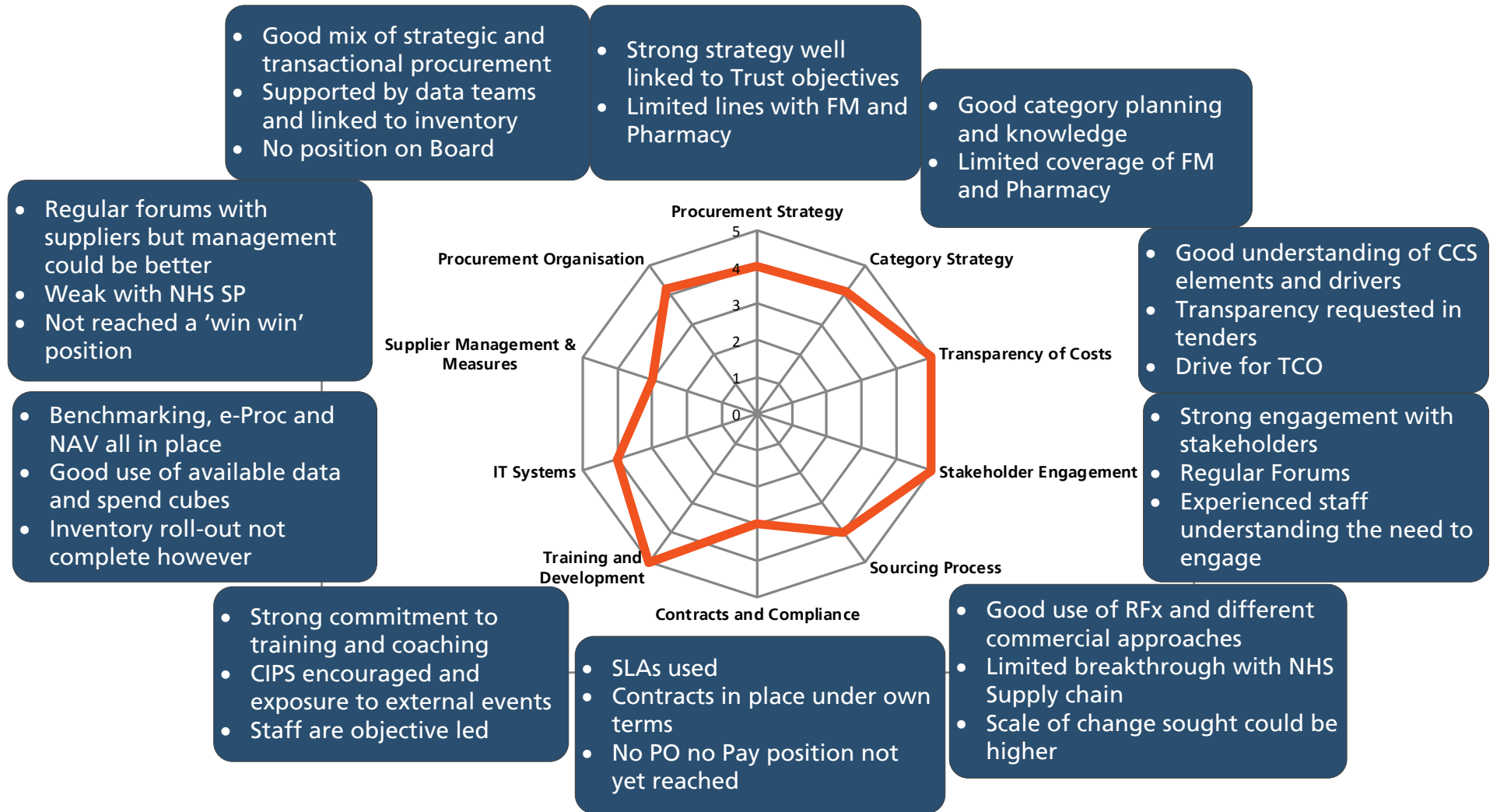


Fig.4

5.4.6 Performance Management

We have a strong performance management framework which has mechanisms for monitoring and reporting progress, and a drive for continuous improvement and these are shared quarterly with customers to enable clarity in delivery and areas requiring future intervention in delivery (Fig. 5).

TRUST - QUARTERLY EXTERNAL KPI DASHBOARD				
REPORTING MONTH: JANUARY 2014 FOR QTR1 to QTR 2013-14 ACTIVITIES				
MEASURE	BASIS LINE VALUE (based on 12/13)	ACTUAL VALUE YTD (2013-14)	MEASURE DESCRIPTION	For further details please click below.
% PO INVOICES	21.4% (£30,472,225)	22.6% (£30,640,160)	% PO_NONPO INVOICES PAID (baseline against 2011/12 year end figures) calculated as an overall % of invoices paid by value against all invoice types RAG status, +baseline = green, -10% against baseline = amber, +1% against baseline = red	NON-PO Summary (YTD)
% INFLUENCEABLE SPEND	44.7% (£105,264,693)	46.2% (£79,474,362)	% OF SUBJECTIVE CODES - AS IDENTIFIED BY TRUST - THAT ARE INFLUENCEABLE BY SST (baseline against 2011/12 year end figures) calculated as a % of total invoices paid RAG status, +baseline = green, -10% against baseline = amber, +1% against baseline = red	NON-PO Influenceable Summary
% TOTAL INFLUENCEABLE PO SPEND (NON-PO TRADE ONLY)	51.7% (£30,283,773)	52.1% (£30,412,820)	% OF OVERALL INFLUENCEABLE SPEND (baseline against 2011/12 year end figures) calculated as a % of all paid invoices against all vendor types and split by PO (influenced) and identified influenceable codes in non-po RAG status, +baseline = green, -10% against baseline = amber, +1% against baseline = red	as above
% OVERALL CPA + FREE TEXT INC NHS SC	95% (324,151 lines)	92.7% (283,794 lines)	% ALL REDUCTION LINES (calculated as a % of reduction lines including NHS SC and Easy Order lines RAG status, +base line = green, -10% against baseline = amber, +1% against baseline = red	CPA - Free Text Summary (YTD)
% CPA + FREE TEXT	79% (70,997 lines)	69.4% (61,884 lines)	% CATALOGUE PO LINES (calculated as a % of PO lines raised per month. Includes Easy Order and Non subject via NHS SC RAG status, +base line = green, -10% against baseline = amber, +1% against baseline = red	as above
CASH RELEASING SAVINGS	£5,200,000 (£433,353 m)	£2,643,000 (£20,847 m)	OF SAVINGS AGAINST PROPOSED SLA TARGET (YTD) (calculated from the contracts workplan including buyers savings RAG status, +baseline = green, -10% against baseline = amber, +1% = red	see Finance Workplan
COST AVOIDANCE SAVINGS	£0	£3,584,820 (£30,424 m)	OF SAVINGS AGAINST PROPOSED SLA TARGET (YTD) (calculated from the contracts workplan including buyers savings RAG status, +baseline = green, -10% against baseline = amber, +1% = red	see Finance Workplan
CURRENTLY AWARDED CONTRACTS			Listing of live contracts at 1st of the month reported	Live Contracts

Fig.5

5.4.7 Training and Development

We will take a structured and co-ordinated approach to education, training and professional development for all staff with procurement, supply chain or commissioning responsibilities across SoEPS. We have in place mature appraisal, 1to1 and team meeting structures that work on continual reviews and change to reflect team or individual needs in all aspects of soft skills or technical training requirements.

5.5 Corporate Social Responsibility

5.5.1 Sustainability (social, economic and environmental)

We are committed to sustainable procurement by ensuring that social, economic and environmental issues are considered during all stages of a procurement process and as part of the whole life cost of a contract. We will achieve this by ensuring that sustainability considerations are embedded within our procurement processes and by promoting good practices with those with whom we do business.

We are committed to ensuring that our procurement activities and those of our suppliers do not have a detrimental effect on the environment and have a positive influence on whether SoEPS achieves its sustainable and ethical aims. We will reduce the negative effect on the environment of the products and services that we buy, by considering the effect of our decisions and by working with suppliers where appropriate, to ensure they have a similar commitment.

SoEPS shares with its clients the need to reduce CO² emissions and contribute towards government sustainability targets.

SoEPS is actively working towards sustainability accreditation to demonstrate its commitment to the government sustainability targets and align with client aspirations and aims. Our approach is reflective in contracts, Pre Qualification Questionnaires (PQQs) and Invitation to Tenders (ITTs). SoEPS adheres to Chartered Institute of Procurement and Supply chains' Code of Conduct in respect of 'Ethical Procurement'.

5.6 Client focus

5.6.1 Focus on Service Needs

Each area of service has annually reviewed Key Performance targets against client specifications and Standing Financial Instructions. SoEPS has established a register of suppliers to ensure quality of service and to implement effective monitoring against service targets and provision aligned with client agreed Key Performance Indicators and targets.

5.6.2 Client engagement

To create effective client engagement, we will aim to have three guiding principles: Accountability, clear interface, and governance in every single undertaking.

- **Accountability:** Clear roles, responsibilities, accountabilities, and metrics;
- **Clear Interface:** Meetings that are timely, well defined, clearly managed and results driven;
- **Governance:** Establishment of mechanisms that ensure legal, ethical, and professional alignment at all levels across SoEPS.

Following these guiding principles we will aim to continually improve our relationships and credibility with both internal teams/customers and external clients. More importantly, we will strive to elevate strategic planning and decision making.

5.7 Partnering and Collaboration

5.7.1 Constructive Partnerships

In the past few years SOEPS has been shown a consistent rate of growth, in terms of its client base and income. Growth is a key to success in the NHS procurement marketplace. There are clear economies of scale benefits from making use of the consolidated spending power of the NHS through collaboration between organisations and SOEPS, with its client base and network of relationships, has proved well placed to provide a service offering which allows its clients to benefit from these efficiencies.

The model is not structured upon an aggressive approach to market but is based upon a concept of developing far reaching trusting relationships that take time to develop. This currently involves working with our Southern Procurement Partners (SPP). Organisations that take a more aggressive approach to developing market and position have failed and continue to do so. Although commercially this may seem the way to work, currently within the NHS it is not the most effective option.

5.7.2 Innovative collaboration

Much more can be done to increase collaboration on this front; both in terms of increasing the scale of collaboration (i.e. more categories across more partners) and also better communication amongst partners to increase transparency and standardisation where suitable. This theme has been highlighted again in the Department of Health and NHS England's recent publication titled "Better Procurement, Better Value, Better Care: A Procurement Development Programme for the NHS".

6 Delivery of our Strategy

Our Action Plan has been developed to set out our overall "direction of travel" with actions to achieve our strategic aims at set milestones. It is annually reviewed and reported to our client boards.

Fundamentally the change requires the following approaches:

- Develop integrated purchasing strategies that support organisational strategies, goals and objectives;
- Develop closer relationships with other functional groups;
- Build more collaborative opportunities with other Procurement providers;
- Capture Purchasing Consortium deals, Distribution/Standardisation, taking in to account local health economy spend;
- Manage the Procurement Process and Supply Base Efficiently and Effectively

The strategy and plans also differ in the level of change required from client Trusts' in specific policies, processes and procurement behaviour.

Fundamentally the changes are linked to effective supply chain management and a refocus and challenge on culture and existing behaviours to release the maximum benefit from procurement activities.

These changes underpin the new Department of Health Procurement Development Programme "Better Procurement, Better Value, Better Care" which focuses on better management of procurement activities across client Trusts' to deliver increased savings.

Principally the delivery of the strategy focuses on the following key priorities (Table 3):

Priority	Description
1.	Developing Inbound Supply Chain solutions
2.	Delivering 3 year work plans
3.	Continued Business Growth for SoEPS
4.	Review of premises location and future
5.	CIPS Certification
6.	Continued Inventory Management development and client roll out
7.	Developing partnerships and relationships to drive growth and positions in market
8.	On going training and retention of excellent staff

Table 3

Appendix 1 - Action Plan 2014/17

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
1. Efficiency and Value for money	Continue looking for development and growth	Align services to Business plans and strategic growth of clients	Closer workings with clients on strategic direction	Year 1 priority Priority 3
	Continued aim to maximise Procurement influence on the non-pay spend	Develop sustainable “Business as usual” strategic reviews of non pay with achievable controls with a robust 3-year work plan	Re-emphasise controls that exist, systems in place and allow debate around review	Continuous plan Priority 2
	Demonstrate better value for money through following a competitively compliant route and ensure that all activity undertaken has shown “value adds” has been provided	<ul style="list-style-type: none"> • Focus on total cost of acquisition and full life costs not simply the cheapest • Look to remove barriers to exploit quick win opportunities • Outcome specifications for contracts will be used where appropriate 	<ul style="list-style-type: none"> • Show case the benefits of an effective procurement function in a different light, through active engagement (newsletters, workshops, LIA, website) • Work to an evidence based decision model 	Continuous plan

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
1. Efficiency and Value for money (<i>continued</i>)	Continued targeted approach to high spend areas and top spend suppliers, applying competitive and modern purchasing techniques	Understand the macro and micro environment and conditions through strong and early signals of strategic direction and future investments	A more open and transparent relationship with suppliers of expectations, directions and “How to do business”	Year 1 priority
	Ensure organisations have a leading edge and robust end to end Supply Chain (where applicable)	Continue to reduce stock levels through a lean methodology Remove waste in the supply chain to drive down costs Achieve cost improvements through demand management facilitated with Inventory Management Systems Reduce costs to service e.g. consignment versus owned, Technical support which often represents 40% of the price of a product	Continue to invest in this vision, with high level sponsorship to enable SoEPS to complete the journey	Year 1 priority with completion of roll out in Year 2 Priority 1
2. Technology	Work to streamline internal office processes and implement national data standards that enable better use of technology.	Continue with the progression of planned systems alongside other Procurement organisations that are also actively driving change	Work closely with client ICT depts. and Procurement partners to ensure the best technology advancements are pursued and embedded	Year 1 and Year 2 priority
	Work with DoH to establish a single National NHS GS1 data pool, a PIMS system and interoperable messaging platform (PEPPOL)			

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
2. Technology (continued)	Continue with the investment leading edge Inventory Management software			Priority 1
	Further encourage the use of appropriate and easy to use electronic technology to reduce tender and transaction costs.			
3. Effective Governance and Accountability	Application for Chartered Institute of Purchasing and Supply (CIPS) Certification	SoEPS is now recognised as the first NHS procurement organisation that has achieved CIPS Certification	Full membership will allow SoEPS to become a credible service provider in a landscape that still provides further opportunities	Year 1 priority
	Application for Advanced Chartered Institute of Purchasing and Supply (CIPS) Certification	SoEPS is due to be recognised as the first NHS procurement organisation that has achieved CIPS Certification (Advanced level)		Priority 5
	Development and implementation of new governance role	In place to allow clients to be further protected from Contractual related risks.	Business procedures manuals, aligned with simpler and more efficient process to be easily accessible for all stakeholders	Continuous improvement
	Procurement policy and processes clearly defined	Currently developing as part of LIA and Business procedures manual		
	Compliance with procurement catalogues and process	As part of business procedures manual		

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
4. Standards and Controls	Established a Suppliers register	Currently working through national contracts finder	Business procedures manuals, aligned with simpler and more efficient process to be easily accessible for all stakeholders	Year 1 priority
	Procedures and processes mapped against new standards, reviewed and marked fit for purpose	As part of CIPS Accreditation		Priority 5
	Encourage transparency throughout the end to end supply chain	As part of IMS protocols		Priority 6
5. Risk Management	Controls for performance and risk are in place ensuring operating effectiveness is controlled, measured and managed	Updated risk register	Support internal management and governance of National Procurement Strategy, "Better Procurement, Better Value and Better Care"	Continuous improvement
	Ensure all staff involved in procurement non pay and contract management become capable and accountable	Clear roles and responsibilities outlined	Ensure that procurement governance is clearly communicated	Continuous improvement
	Increase non pay expenditure going through Purchase Order	Base line position identified with clear achievable target position	Plan, review and monitor cycle put in place with Finance	Continuous improvement

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
5. Risk Management (continued)	To improve compliance with Standing Orders and Standing Financial Instructions, best practice procurement and governance adhering to Cabinet Office guidelines for nationally mandated contracts and up to date EU procurement regulations	SFIs and Standing Orders reviewed (August 2014). The new guidelines to be understood in terms of implications and what is required	To be communicated to the organisation	Continuous improvement
	Ensure clients are protected in the necessary way through areas such as Intellectual Property, Fraud, Information Governance and patient safety	Risk register to be fed into client organisation	Quarterly procurement updates	Continuous improvement
6. Performance Management	Develop a culture and processes to ensure that Suppliers meet contracted performance standards.	Set of standards for contractual reviews	Quarterly reviews proactively put in place with top strategic contracts and suppliers	Continuous improvement
	Key Performance Indicators, revised to reflect client corporate and department level goals	Closer workings with client Finance departments to understand measurement, progress and review	Through regular client Finance performance groups	Continuous improvement
	By requiring the publication of all procurement data including opportunities, expenditure, and contracts through the NHS Standard Contract	The full utilisation of data systems to provide transparency of costs	Shared pricing with the NHS community	Continuous improvement

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
6. Performance Management <i>(continued)</i>	Increase transparency by requiring the publication of all procurement data including opportunities, expenditure, and contracts through the NHS Standard Contract	Ensure all suppliers are clear of their requirements	Ensure all suppliers are clear of their requirements	Continuous improvement
7. Training and Development	Providing clear guidance through a high quality website, to staff responsible for placing orders and contracts.	Linked to Bite size procurement strand and LIA strand	Active engagement strategy (newsletters, workshops, LIA, website)	Continuous improvement
	A range of suitable training courses and ensuring that additional professional assistance is available to client users	Personal Development plans, clear training matrixes and robust objectives all set for the next 12 months	Clear open direction for all staff and training through CIPS	Continuous improvement Priority 8
	Ensuring that framework agreements for common use items are easily accessible by staff using electronic marketplaces or other means, avoiding duplication of effort and gaining maximum benefit from purchasing power	Linked to Bite size procurement strand and LIA strand	Active engagement strategy (newsletters, workshops, LIA, website)	Continuous improvement

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
<p>8. Sustainability (social, economic and environmental)</p>	<p>Reduction in the carbon foot print due to less suppliers delivering into the health community and overall miles travelled</p>	<p>Embed vision within all Tenders and contracts and supplier review meetings and embed within overall Supply Chain programme. Distribution review</p>	<p>Developed in conjunction with overall sustainability strategy</p>	<p>Year 1 and 2 priority. Continuous improvement</p>
	<p>Reduce the amount of packaging that the clients have to dispose of and ultimately the amount of waste that they have to manage</p>			
	<p>Consider the long term sustainable cost to procurement decisions: financial, environmental, social and ethical impacts in our assessment of value for money and raise awareness of the sustainability across clients and within the procurement cycle</p>			
	<p>Fair & Equitable trade</p>	<p>Complying with the principles of “Fair & Equitable Trading” associated with labour standards, ensuring compliance with relevant legislation</p>		<p>Continuous improvement</p>

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
8. Sustainability (social, economic and environmental) <i>(continued)</i>	Corporate and Social responsibility	Adopt the Good Corporate Citizenship membership model whereby all staff maintain the highest standards of personal integrity and that the business affairs of the organisation are conducted in a moral, honest manner and full compliance will all legal requirements		
9. Service needs	A proactive supplier engagement programme	Protocols, and Contract Management tool to be reviewed and implemented	Aligned to CIPS accreditation scheme	Year 1 & 2 priority
	Reduce the range and variety of goods purchased through product standardisation and supplier rationalisation programmes	Pursue further the standardisation programme	In line with Standardisation committee	Continuous improvement
	Reduce stock levels using lean methodology based on 'Just in Time' supply and 'Kan Ban' storage principles	Continued work with Inventory Management System programme	Roll out client wide	Year 1 and 2 priority
	Service hub that reflect business needs	A review of premises	Undertake full Review	Year 1 and 2 priority

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
10. Client Engagement	Improve leadership in procurement at all levels from client Boards' through to clinicians and budget holders.	Ensure greater visibility	Procurement must be seen by the organisation as a strategic priority and in doing so recognise the importance of good procurement practise	Continuous improvement
	Ensure all key stakeholders perceive Procurement as enablers to continue improvement in services through raising the awareness of benefits that we can bring to the service and ensure we are the first port of call for advice	Demonstrate that clinically-led procurement can deliver efficiency savings with improved health outcomes	Generate ideas through joint clinical and commercial forums built on shared goals and a mutual understanding and open up clinically led negotiations in areas of strategic importance. Fundamentally it is imperative that there is leadership by clinicians in them helping to set the procurement agenda and providing input in procurement decisions.	Continuous improvement
	Continue to Raise awareness of procurement activity levels	Forge closer relationships with client finance depts. to ensure the right data is provided to the right person in the right form to allow the right decisions to be made	Procurement must be seen by all organisations as a strategic priority and in doing so recognise the importance of good procurement practice	Continuous improvement

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
10. Client Engagement (continued)	Continue to actively engage with in the Department of Health to allow clients to be fully equipped and be part of the nationally driven agenda	Allow SoEPS to continue to be considered as an industry leader		Continuous improvement
	Develop creative and active partnerships with strategically important suppliers	Forge and encourage strategic “conversations” between stakeholders, procurement and suppliers on a commercial footing	Create an innovative platform	Continuous improvement
11. Partnerships	Advisory to Health Care Supplies Association, Chartered Institute of Purchasing and Supplies and national forums	Continue to be an active lead in driving the procurement agenda		Continuous improvement
	Make use of local and SME suppliers, where appropriate, in order to deliver local economic growth in conjunction with our local partners.	Review of current supplier base in line with strategic aims		Continuous improvement
	Identify opportunities for joint working Identify opportunities for collaboration	Undertake the 8 stage framework for a collaborative relationship (Strategic, Engagement and Management). Work closer with Southern Procurement Partnership (SPP), London Procurement Partnership (LPP)	Ensure SoEPS helps create a platform and set of behaviours and values for collaborative relationships	Continuous improvement Priority 7

Strategic Aim	Tactics(s)	Tasks	Communication plan	Strategic Priority
12. Innovative collaboration	Have representation on national and regional committees and working parties where the benefit to SoEPS and its client base of fostering effective strategic alliances with other organisations and public bodies is worthwhile	Build capability and capacity through working with partner organisations across the NHS		Continuous improvement
	Collaborative work with Sustainable Public Procurement			
	Improving outcomes through clinical procurement	Encourage a solution driven approach, with innovation as an enabler	Demonstrate that innovative and clinically led procurement can deliver improved health outcomes at the lowest valued cost	Continuous improvement