



Wirral University
Teaching Hospital
NHS Foundation Trust

Procurement Strategy

2024 - 2026



together
we will

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Introduction

Our journey to deliver the best quality and safest care to the communities we serve

Procurement plays a pivotal role in delivering high quality care whilst ensuring value for money is achieved. After the unprecedented disruption of recent years, WUTH must meet the challenge of recovery whilst achieving financial sustainability. To do this, we will need an exceptional procurement service that can support the Trust to meet this challenge and to deliver outstanding care to our patients.

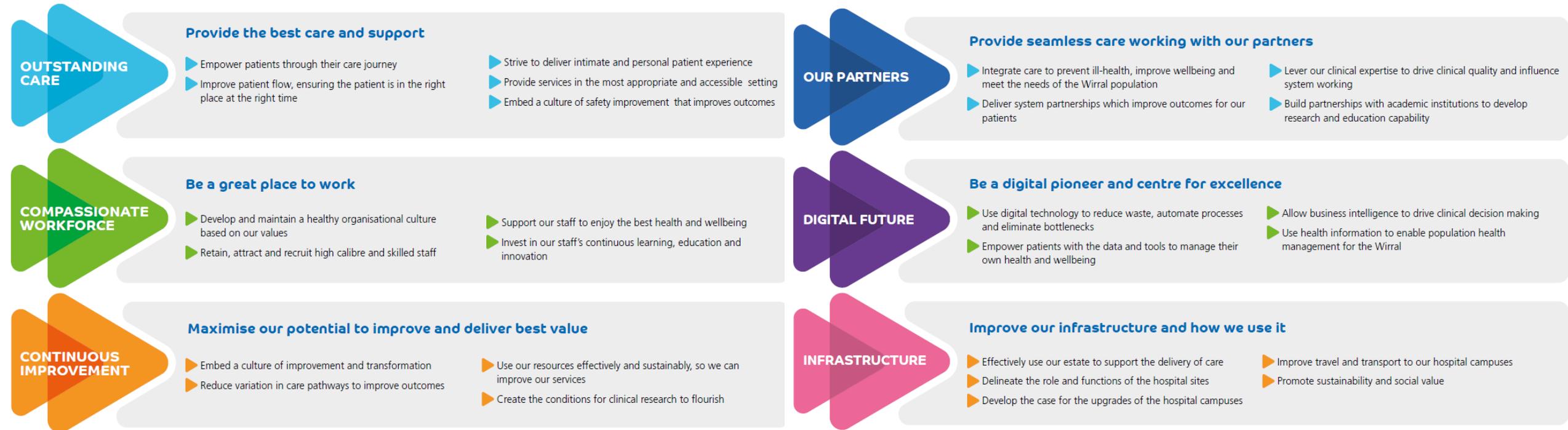
Aligned with Trust, system, and national priorities, this strategy will optimise the delivery of procurement at WUTH. The strategy focuses on striking a balance between long term goals and the ability to remain agile and flexible to changes at Trust, system or national level. It introduces a comprehensive framework for managing procurement services and comprises of four Strategic Objectives and their underpinning priorities.

Our WUTH Procurement Mission:

Together we will develop an efficient and effective Procurement service that delivers savings and quality benefits through working in partnership with our stakeholders. Value will be measured in respect of ability to improve patient outcomes, quality and social value benefits as well as cost.

Our 2021-2026 Objectives and Priorities

Our six strategic objectives and priorities demonstrate our intension to provide outstanding care across the Wirral through our hospital sites and units, as a lead provider within the Wirral system. We will be a Hospital Trust that patients, families and carers recommend, and for which staff are proud to work.



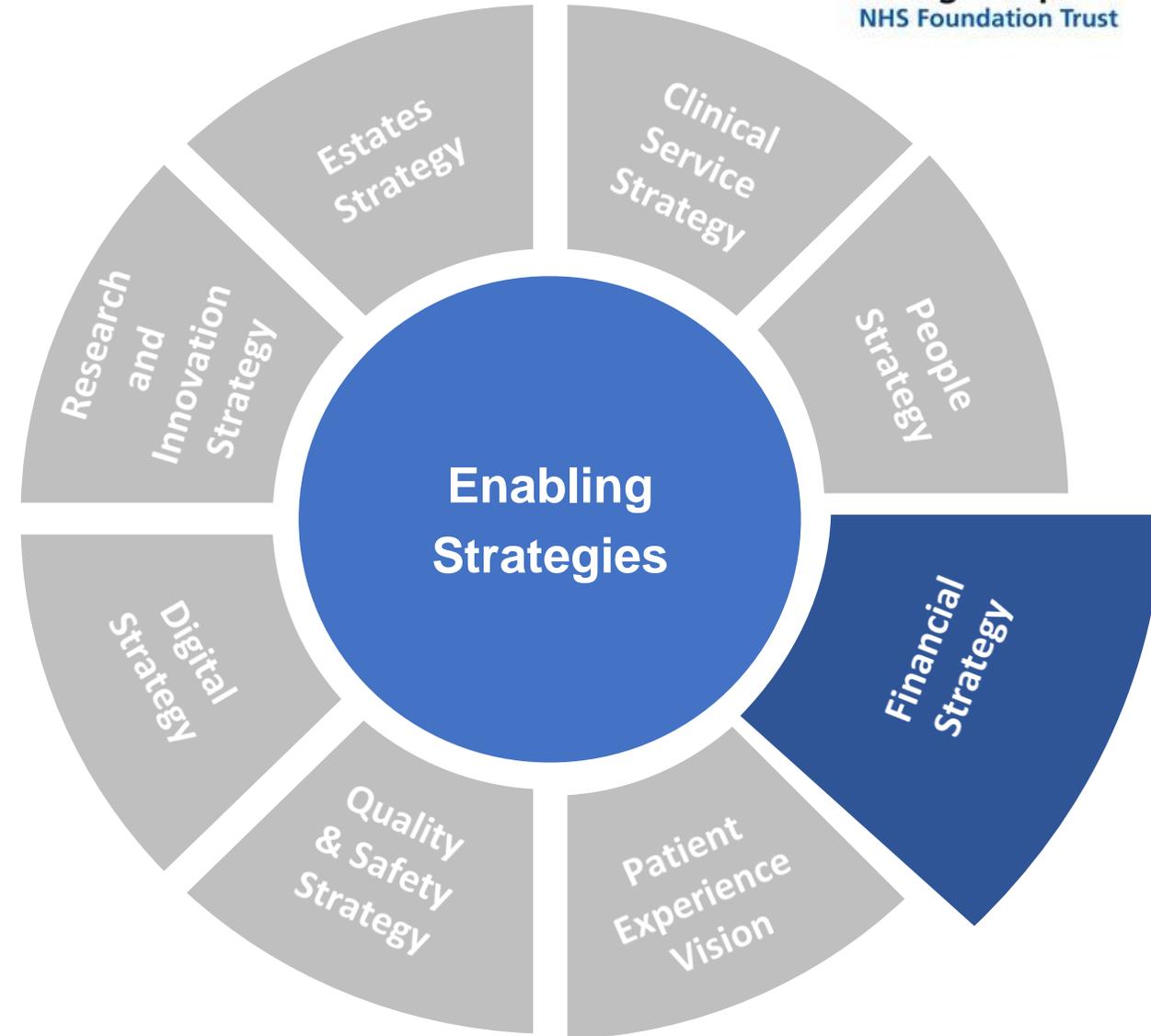
Strategic Framework

Our Enabling Strategies

Our 2021-2026 Strategy will be delivered through eight enabling strategies as illustrated.

This Procurement Strategy underpins our Financial Strategy and outlines our intentions to drive efficiencies and create savings by removing unwarranted variation, reducing waste and ensuring that goods and services procured can improve clinical outcomes.

Delivering our Procurement Strategic Objectives will support us to deliver our Trust's overarching vision, where we, collectively, strive to provide the highest quality and safest care to the communities we serve.



Developing our Procurement Strategy

National Context

National drivers for procurement are directed through HM Government's National Procurement Policy Statement, the Government Commercial Function (GCF) Strategy and the NHS Commercial Strategic Framework. The following are identified as national priorities for procurement with the combined objective of achieving value for money:

1. Social Value

All public sector organisations must factor social value into their procurements with the aim to generate economic growth and improve supplier diversity, support the continued recovery from the COVID-19 pandemic and drive the transition to achieving net zero by 2045.

2. Commercial & Procurement Delivery

The right policies, processes, and governance should be in place to manage procurements that deliver best value for money.

3. Skills & Capability of Procurement Staff

Team capacity and capability should be enhanced through training to ensure taxpayer's money is spent effectively.

4. Digital & Transparency

Data should be used as a strategic asset to drive consistency and ensure transparency.

5. Legal Framework

All NHS organisations are bound by statutory and mandatory public procurement legislation and the requirements of their corporate governance.

Regional Context

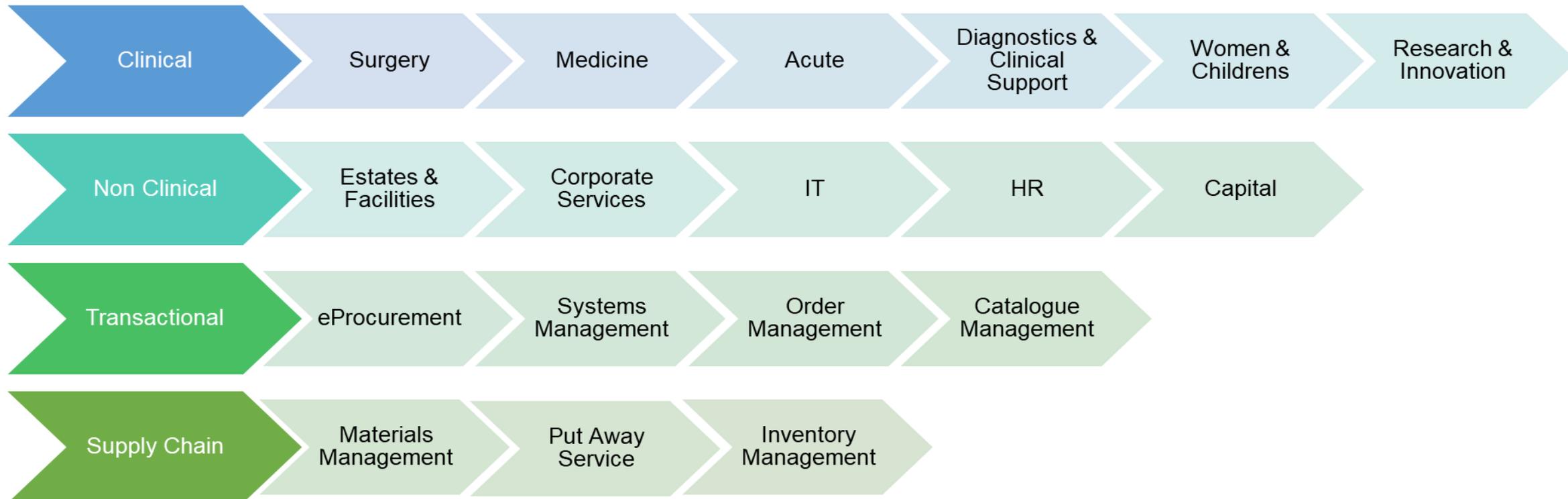
The creation of integrated care systems has facilitated collaborative relationships. Procurement teams from across the Cheshire and Merseyside are working together to standardise goods and services to optimise value for money and promote equity of care across the region.

Procurement Services at WUTH

Procurement across our organisation

Procurement affects every element of our organisation. The Procurement Team manages all non-pay expenditure excluding medicines, from identification of need through to disposal.

The diagram below illustrates the categories of non-pay expenditure managed through the Procurement Team, which span across the organisation.



Our Procurement Services at WUTH



Purchase Orders

We enable ~31,000 purchase orders to be raised per annum, supporting a non-pay spend of £170m.



Contracts

We manage over 350 contracts across the Trust.



Stock

We manage £1.7m of stock across the 2 main hospital sites via top up ordering service.



Put Away Service

We provide a Put Away Service managing ~17,500 product lines.



Cost Avoidance

We achieve £50k of cost avoidance savings through reduction of stock holding and manging order discrepancies.



Clinical Product Trials

We support ~40 clinical product trials per annum.



Products

We manage and maintain 200 catalogues on Oracle accounting for over 20,000 products.



Collaboration

We work collaboratively with the Cheshire and Merseyside ICS to award ICS wide contracts.

Developing our Procurement Strategic Objectives

The strategic objectives and priorities for the 2024-26 Procurement Strategy have been developed through consideration of the Trust's policies and its journey over the previous five years. A comprehensive review of national and local policies has been conducted to ensure that this strategy aligns seamlessly with wider objectives.

Valuable input has been provided by the Trust's clinical divisions to ascertain their needs for an effective and efficient procurement service. This feedback, alongside the national priorities, has facilitated the development of the four strategic objectives and the priorities that will underpin these objectives.

A decorative graphic in the top-left corner consisting of several overlapping triangles in orange, pink, green, and brown.

Our Procurement Strategic Objectives

- 1. Adding Value, Driving Efficiency and Increasing Transparency**
- 2. Embedding Effective Governance Structures**
- 3. Improving Social Value and Sustainability**
- 4. Developing People**

Objective 1 - Adding Value, Driving Efficiency and Increasing Transparency

Enabling efficient and effective processes will drive strategic procurement, which focuses on the creation of value for the Trust. Accurate and consistent reporting will support greater transparency within procurement processes. Specific actions relating to Strategic Procurement, Supply Chain Management and Data and Technology are explored in further detail in the Procurement Strategy Action Plan, attached in the Appendix.

We Will:

- Work in collaboration with internal and external stakeholders to achieve savings and maximise economies of scale.
- Standardise and rationalise our supplier base and reduce number of lines held where possible.
- Enable effective procurement and ensure value for money is optimised throughout the life of all contracts by developing a comprehensive contract management framework.
- Improve data accuracy to enable better reporting, price benchmarking and ensure value for money is achieved.
- Implement effective digital solutions to consolidate processes.
- Identify areas where we can automate processes and reduce administration to maximise efficiency.

Objective 2 - Embedding Effective Governance Structures

Our goal is that we will provide an excellent, professional and valuable service to all customers and stakeholders ensuring that national best practice guidance and standards are implemented and achieved. We aspire to improve insight into the procurement service through effective engagement with the wider organisation to ensure compliance and to support staff to achieve value for money.

We Will:

- Ensure that all procurement is conducted compliantly, providing appropriate advice and guidance throughout the Trust and update standing financial instructions when required.
- Align our objectives with the national strategic direction and wider governance structures for procurement.
- Seek to influence all non-pay expenditure to ensure compliance, mitigate risk to the Trust and demonstrate that value for money is achieved.
- Improve understanding of our position by undertaking benchmarking to optimise performance against national standards.

Objective 3 - Improving Social Value and Sustainability

As an Anchor Institution – an organisation with a large stake in its local area – the Trust has pledged to purchase locally and embed social, economic and environmental benefits into procurement processes. Improving social value enables the Trust to give back to the local area and to support with the NHS commitment of reaching net zero by 2045.

We Will:

- Work with the Trust's Sustainability and Environmental Managers in supporting the delivery of the Trust Green Plan.
- Work collaboratively with the Cheshire and Merseyside Integrated Care System (ICS) to review the progress of the wider Cheshire and Merseyside Green Plan and ensure our plans align.
- Consider how each of our procurement opportunities could benefit the community we serve and will engage with suppliers within the community to encourage participation in procurements.
- Actively monitor suppliers progress towards net zero and social value benefits through regular contract review meetings.

Objective 4 - Developing People

In procurement, people are our greatest asset. In addition to the Procurement Team, staff across the Trust play an essential role in ensuring that value for money is delivered from non-pay expenditure and that taxpayer's money is spent efficiently. Facilitating the development of a diverse, skilled Procurement Team, as well as raising awareness of procurement processes to staff across the Trust are therefore key priorities for the organisation.

We Will:

- Attract diverse talent to the Procurement Team by cultivating an environment where equality, diversity and inclusion are welcomed and embraced.
- Put staff development at the heart of our service to ensure that the Procurement Team are able to deliver an excellent service whilst feeling valued, motivated, and included.
- Grow our own talent, making apprenticeships a key part of the Procurement Team structure and ensuring we develop a workforce that is representative of our community.
- Raise the profile of the procurement service through effective engagement with the wider organisation to support staff to achieve value for money.

Strategic Alignment

Our Procurement Strategic Objectives Aligned to our 2021-2026 Trust Strategic Objectives

	Outstanding Care <i>Provide the best care and support</i>	Compassionate workforce <i>Be a great place to work</i>	Continuous Improvement <i>Maximise our potential to improve and deliver best value</i>	Our Partners <i>Provide seamless care working with our partners</i>	Digital Future <i>Be a digital pioneer and centre for digital excellence</i>	Infrastructure <i>Improve our infrastructure and how we use it</i>
1. Adding Value, Driving Efficiency and Increasing Transparency			✓	✓	✓	✓
2. Embedding Effective Governance Structures	✓		✓	✓		
3. Improving Social Value and Sustainability	✓	✓	✓			
4. Developing People	✓	✓	✓	✓		

Next Steps

How we Get to Where we Want to Be: Implementation, Monitoring and Review



Development and sign-off of the Procurement Strategy aligned to the Trust Strategic Objectives. The strategy will be supported by the Procurement Team to translate the strategic objectives into operational plans for each year of the strategy.

Key performance indicators for the Procurement Strategy will be developed and agreed to allow procurement performance to be assessed and monitored.

Procurement Strategy priorities will be reviewed as part of our annual operational and strategic planning to ensure they remain relevant to our evolving patient needs and maintain delivery momentum.

Delivery of the operational and strategic priorities will be driven and monitored through existing comprehensive governance structures, providing organisational transparency whilst supporting delivery of financial transformation, within agreed timescales and cost constraints.

Appendices



Appendix 1: Procurement Strategy Action Plan

