

Benefits of being a supplier

NHS LPP framework and Dynamic Purchasing System (DPS) suppliers



Version history

NHS LPP staff

Contributor(s)	Date	Version	Comments
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Benefits of being a supplier

At NHS London Procurement Partnership (NHS LPP) we pride ourselves on working with the very best suppliers for the benefit of the NHS and its patients. We value the suppliers we work with highly because we know that they share our high standards. We fully support their innovation, their knowledge and significant contribution to the NHS as a whole as we work together to achieve NHS targets.

We keep any Activity Based Income (ABI) charges at, or below the market rate – typically between 0.5% - 5%. As an NHS organisation, all ABI generated from our work with suppliers goes back into the NHS - either to NHS LPP to help with our work to support trusts, or to the trusts themselves.

Here's what we offer you as a supplier:

1. Excellent business opportunities

In simple terms, our frameworks and Dynamic Purchasing Systems (DPSs) provide the NHS and other public sector organisations with a list of pre-qualified suppliers that can bid for work around a specific group of goods or services. Buyers then award individual contracts throughout the lifetime of the framework or DPS. This means suppliers benefit from only having to apply once to be on our agreements, reducing the resource required to bid individually for contracts.

Our frameworks and DPSs are trusted and used by a large number of NHS organisations – for example, our clinical staffing framework is used by 90% of trusts in London. The frameworks are also accessible by all public sector bodies in the UK and are used by other organisations such as universities, local authorities and central government - for example the Department for Environment, Food and Rural Affairs (DEFRA).

In many cases frameworks are developed in partnership with trusts themselves, or with NHS England as well as independent, trusted trade bodies. Suppliers awarded a place on these frameworks benefit from an enhanced reputation and will gain access to public sector projects that are not advertised on the open market.

2. Dedicated supplier relationship management

NHS LPP has a dedicated Supplier Relationship Management (SRM) function.

We are committed to developing collaborative and mutually beneficial relationships with our suppliers. We actively encourage our suppliers to work towards delivering sustainable and measureable outcomes to members and patients. We are also keen to see how suppliers can innovate in the services and products they supply, in order to help the NHS deliver against its ambitious targets.

To find out more, please get in touch with us at customer@lpp.nhs.uk.

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3. Support for your business

We can provide you with advice on how the NHS procurement landscape works. We share our knowledge and specialist expertise, helping suppliers apply the lessons we've learned in your business area. Our experts can act as a neutral third party to help resolve any issues or questions between customer and supplier fairly. We also communicate regularly with our members and can ensure important information from suppliers is passed on.

a) Sustainability – NHS achieving net zero by 2045

The NHS is responsible for around 4-5% of the UK's emissions, with over 60% of our total carbon footprint sitting within its supply chain. This includes emissions from freight, the manufacturing of goods, catering, business services and construction, among others.

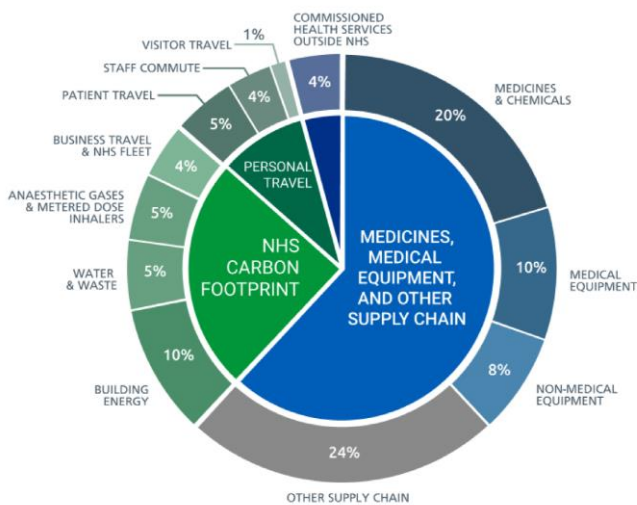


Figure 2 - Sources of carbon emissions by proportion of NHS Carbon Footprint Plus, taken from [Delivering a net zero national health service](#). We strongly encourage you to read this NHS publication.

The decarbonisation of the NHS supply chain is therefore crucial if we are to become net zero by 2045, and a roadmap for NHS suppliers to align with this ambition by 2030 was circulated in September 2021 by NHS England and NHS Improvement.

From as soon as April 2023, the NHS will adopt the Government's 'Taking Account of Carbon Reduction Plans' (PPN 06/21), requiring all suppliers with new contracts for goods, services, and/or works with an anticipated contract value above £5 million per annum, to publish a carbon reduction plan for their direct emissions. From April 2024, the NHS will expand this requirement for all new contracts, irrespective of value.

Through our Supplier Relationship Management team, we can work with you to provide information and support as required.

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b) Social Value

In line with the [Government Procurement Policy Note PPN 06/20](#), Contracting Authorities recognise the need to support key social outcomes; maximising social value effectively and comprehensively through its procurement activity. When using NHS LPP agreements to award contracts the Contracting Authority will therefore align with appropriate Social Value policy themes, outcomes and measures, where relevant to the subject matter of the procurement. You should familiarise yourself with the content on the policy note to ensure that you are capable of responding to Social Value criteria when requested.

Use of a common Social Value Delivery Model in procurement provides a standardised approach for defining social value and a clear systematic way to maximise the impact for local priorities in the awarding of contracts.

The inclusion and evaluation of social value will increasingly be included by Contracting Authorities in the evaluation of tenders under NHS LPP agreements (from April 2022 with a 10% minimum weighting for the NHS). However, the priorities may be different in each instance so please ensure that you consider the Social Value context provided by the Contracting Authority and frame your response to providing Social Value measures that are specific to the requirement being procured, and promote/evidence best practice when bidding. Suppliers that can evidence how they will support the relevant Social Value outcomes are likely to be scored preferably and once awarded a contract, Suppliers will be asked to provide evidence of the Social Value commitments made in their bids as they are realised, and for NHS LPP members this may be managed via a separate Social Value monitoring tool).

More information and training on Social Value is currently being developed by NHS LPP and will be shared with suppliers in the near future.

c) Support for small and medium sized businesses (SMEs)

We encourage and support SMEs or businesses with little or no experience in tendering work for the public sector, by offering SME-friendly agreements such as our DPSs, which provide a secure route to approach the NHS market. The selection stage of a DPS is less onerous than a usual tender process and is open to suppliers who wish to apply throughout by type of requirement, size of contract or place of delivery, niche suppliers and SMEs have maximum opportunity to compete. This effectively means that new start-ups or businesses wanting to expand into the public sector can compete and not be frozen out of the market. By dividing the DPS into categories by type of requirement, size of contract or place of delivery, niche suppliers and SMEs have maximum opportunity to compete.

We also encourage trusts to include social value criteria such as apprenticeships or sourcing locally in their tenders, which supports the local economy and community as a whole.

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d) Option to direct award (applicable to frameworks only)

Some of our frameworks offer the option to direct award, meaning trusts or other public sector buyers can approach suppliers directly to procure services. This saves suppliers significant costs in the procurement process by removing the time and resources required for processes such as creating tender documentation, bespoke bids or participating in mini competitions.

e) Service specific benefits

Many of our service areas offer a large number of other benefits specific to your product or service. For example, our Estate, Facilities and Professional Services suppliers have an opportunity to take part in net zero carbon round-table discussions, where suppliers and buyers come together to discuss barriers and solutions to achieve a greener future.

For further information

For further information, please contact the Category Manager for the relevant framework or DPS as detailed on [our website](#). Alternatively, please contact customer@lpp.nhs.uk. Thank you for your interest in NHS LPP.