

# News story: New logistics contract to help centralise delivery services for NHS trusts

The contract with logistics provider Unipart Logistics cost £730 million and is for 5 years.

The Department of Health and Social Care anticipates the new supply chain will generate savings of £2.4 billion over a 5-year period.

Until recently, NHS trusts in England could negotiate their own contracts for products such as bandages, gloves and surgical equipment. This has meant that neighbouring hospitals have often paid different prices for products from the same supplier.

An example of this price variation includes the lowest priced 12-pack of rubber gloves costing 35p, while the highest priced cost £16.47.

The logistics contract for Unipart is the biggest of 13 new national contracts forming the new NHS Supply Chain and will start in early 2019.

Unipart's responsibilities will include:

- delivering medical devices and hospital consumables – other than medicine – to NHS trusts
- warehousing
- inventory management
- order processing and delivery

A home delivery service will make up around 10% of the contract, which will allow some patients to receive supplies and be cared for in their own home.

Health minister Steve Barclay said:

Our long-term plan will see billions of pounds invested into the NHS, but we have to make sure that every penny of this is spent as wisely and effectively as possible.

A modern health service shouldn't involve 234 separate trusts spending time and money negotiating different contracts and prices for the same thing. That's why our work to centralise how the NHS buys goods and services is crucial.

By streamlining the process and freeing trusts up from having to do this, we will save staff valuable time, save huge amounts of money and be able to reinvest the savings into patient care and frontline services.