



# Healthcare

## market trends update

October 2019



CELEBRATING 35 YEARS OF INNOVATION & EXCELLENCE

# Introduction

The National Health Service is a huge and diverse market, spending over £1 billion every three days on a vast range of requirements. Contract values range from over £1 billion to just a few thousand. In this report, we consider only those contracts with a stated value of over £100,000 issued by buyers in the United Kingdom. There is a huge opportunity for NHS procurement professionals and supplying organisations to work together to support the delivery of public services, boost efficiencies and drive better value for money.

At BiP Solutions, we have spent 35 years bringing buyers and suppliers together. Over 250,000 private sector businesses in the UK alone, including 20% of companies listed on the FTSE 100 Index, rely on BiP's expertise to help them grow. We offer a number of innovative solutions to support you through all stages of your procurement journey. This includes our market intelligence solution, Tracker, which offers the largest public sector tenders and awards database in Europe, including countless healthcare opportunities. Tracker delivers private and public sector contract opportunities and awards, market intelligence, spend analysis and market leads at the click of a button.

We also bring buyers and suppliers together at three leading healthcare supply chain events – P4H England, P4H Ireland and P4H Scotland – and provide the UK's fastest-growing healthcare community at Health Online.

In our latest healthcare report, which follows on from the September issue and is part of our ongoing BiP Inform series, we take a deep dive into who's spending and where. We look at which suppliers are winning contracts and the buying organisations that are providing current opportunities within this huge marketplace.

This report covers data from August, the most recent month

for which full figures are available.

## Key highlights for August:

- Total spend for August was £2,024,070,611
- 188 notices were published with a further 168 contracts awarded
- The top spending buyer during August was NHS England, with an award value of over £1,351,341,890 for one multiple supplier framework
- The top supplier by value of awards won during August was Norfolk and Norwich University Hospitals NHS Foundation Trust which won just one award, the total value of which was £67,695,284
- The South East of England awarded most contracts (26) but the region with the highest spend was the North West of England

We hope you will find this report of interest. If you would like to find out more about how BiP Solutions can support you on your procurement journey, please do get in touch via the contact details on the last page of this report.

\* All data taken from BiP's Tracker Market Intelligence tool and covers the period 1 to 31 August 2019. All details correct at time of publication.



# Healthcare Market Overview

## – Who is spending and where?

During the month of August, 188 notices were published and 168 contracts awarded. In Figure 1, we list the top ten buyers by combined awards value. The top ten combined awards values ranged from approximately £10.95m to just over £1.35bn. The highest value related to a single multi-supplier framework awarded by NHS England. This contract, on which 73 suppliers won places, is a national framework agreement for the supply of branded medicines to the NHS. This may well be an example of the aggregated purchasing being advocated by and for the NHS.

No one buyer dominated in terms of volume of awards. Even the top ten buyers combined awarded just 51.19% of the 168 awards. The rest of the contracts awarded were spread between another 58 buyers, suggesting that healthcare spending continues to be undertaken at a local level. The 18 contracts awarded by Birmingham Children's Hospital NHS Foundation Trust – the trust making the largest number of awards in August – were relatively small contracts covering a wide range of medical equipment, consumables and services. The most valuable was an award worth £722,000 for reagents/consumables to run Illumina next generation sequencing services.

## Top 10 Buyers by Combined Awards Value



Figure 1

## Top 10 Buyers by Volume of Awards



Figure 2

# Top 10 Suppliers by Combined Awards Value

**1** Norfolk and  
Norwich University  
Hospitals NHS  
Foundation Trust  
**£67,695,284**

**2** Berkshire and Surrey Pathology  
Services (BSPS) - c/o Frimley  
Health NHS Foundation Trust  
**£65,894,512**

University Hospitals of Derby and  
Burton NHS Foundation Trust **3**  
**£39,377,341**

**4** Gilead Sciences Ltd  
**£22,511,533**

Hologic Ltd **5**  
**£21,437,174**

**6** Dr Falk Pharma UK Ltd  
**£19,782,012**

Kent Pharmaceuticals Ltd **7**  
**£19,782,012**

**8** Tillotts Pharma UK Ltd  
**£19,782,012**

Barnsley Hospital NHS  
Foundation Trust **9**  
**£19,594,455**

**10** Bradford Teaching Hospitals NHS  
Foundation Trust  
**£19,594,455**

Figure 3

# Healthcare Market Overview

## Supplier opportunities

Figure 3 details the top ten suppliers by combined awards value. Heading this list is Norfolk and Norwich University Hospitals NHS Foundation Trust which won a single contract from NHS England and NHS Improvement to deliver HPV primary screening and related cervical screening services as part of the NHS Cervical Screening Programme (NHSCSP). The £67,695,284 award was for the East of England lot for this national requirement. The top three suppliers in Figure 3 are all NHS Trusts, which dominate the top ten supplier list, illustrating how local NHS Trusts are frequently both buyers and suppliers, in the latter role winning contracts from national organisations such as NHS England.

Figure 4 shows the top ten suppliers by volume of awards won. The importance for suppliers of winning a place on a framework agreement is illustrated by the fact that all of the suppliers in Figure 4 won all their awards as part of multiple supplier frameworks. IMS Euro, which won 12 awards, won them from just two multiple supplier frameworks. Both were awarded by NHS Wales Shared Services Partnership (NWSSP). One, for pathology consumables, has 107 suppliers while the other, for standard and custom procedure packs, has 47.

## Suppliers by Number and Combined Value of Awards

Number of Awards		Value of Awards Won
12	IMS Euro Ltd	£1,171,764
11	Sarstedt Ltd	£534,578
11	Scientific Laboratory Supplies Ltd	£534,578
11	Trafalgar Scientific	£534,578
10	International Scientific Supplies Ltd	£485,980
10	VWR International Ltd	£485,980
9	Elkay Laboratory Products UK	£437,382
9	Medline Scientific Ltd	£437,382
7	Sterilin Ltd	£340,186
6	Rociale	£1,174,470
6	Unisurge International Ltd	£1,044,581

Figure 4

# Regional Overview

South East England tops the list for the highest number of contracts awarded, with 26 awards in August. Of these awards, only three had a value of over £1m, and two of these were multiple supplier framework agreements, including one for £10m to provide an ePortfolio for NHS dental training. The rest were single supplier awards for local requirements.

The North West of England dominates the figures for the value of awards, which is hardly surprising given that the NHS England office responsible for the £1.35bn framework agreement for branded medicines is based in Runcorn, Cheshire. Indeed, the top three regions by value of awards – North West, East Midlands and Yorkshire and the Humber – were responsible for 90.37% of spend in August.

Some regions clearly awarded fewer, higher value contracts in August, while others awarded more smaller contracts. As mentioned above, the South East awarded the most contracts but its spend of just over £20m places it at number eight in the regions by value of awards and only three awards were worth over £1m. Contrast that with the East Midlands, which awarded just eight contracts but comes second in the value listings at £239,306,495. Much of that total (£215,539,000) comes from one multiple supplier framework agreement for Specialised Commissioning Contract Procurement – Region North awarded by NHS Arden & GEM CSU on behalf of NHS England.

North West (England)	<b>£1,356,086,040</b>
East Midlands (England)	<b>£239,306,495</b>
Yorkshire and the Humber	<b>£233,847,858</b>
Scotland	<b>£60,201,368</b>
London	<b>£42,087,665</b>
East of England	<b>£24,555,444</b>
Wales	<b>£20,241,617</b>
South East (England)	<b>£20,010,604</b>
Northern Ireland	<b>£9,341,606</b>
West Midlands (England)	<b>£9,046,733</b>
South West (England)	<b>£7,082,571</b>
North East (England)	<b>£2,262,610</b>

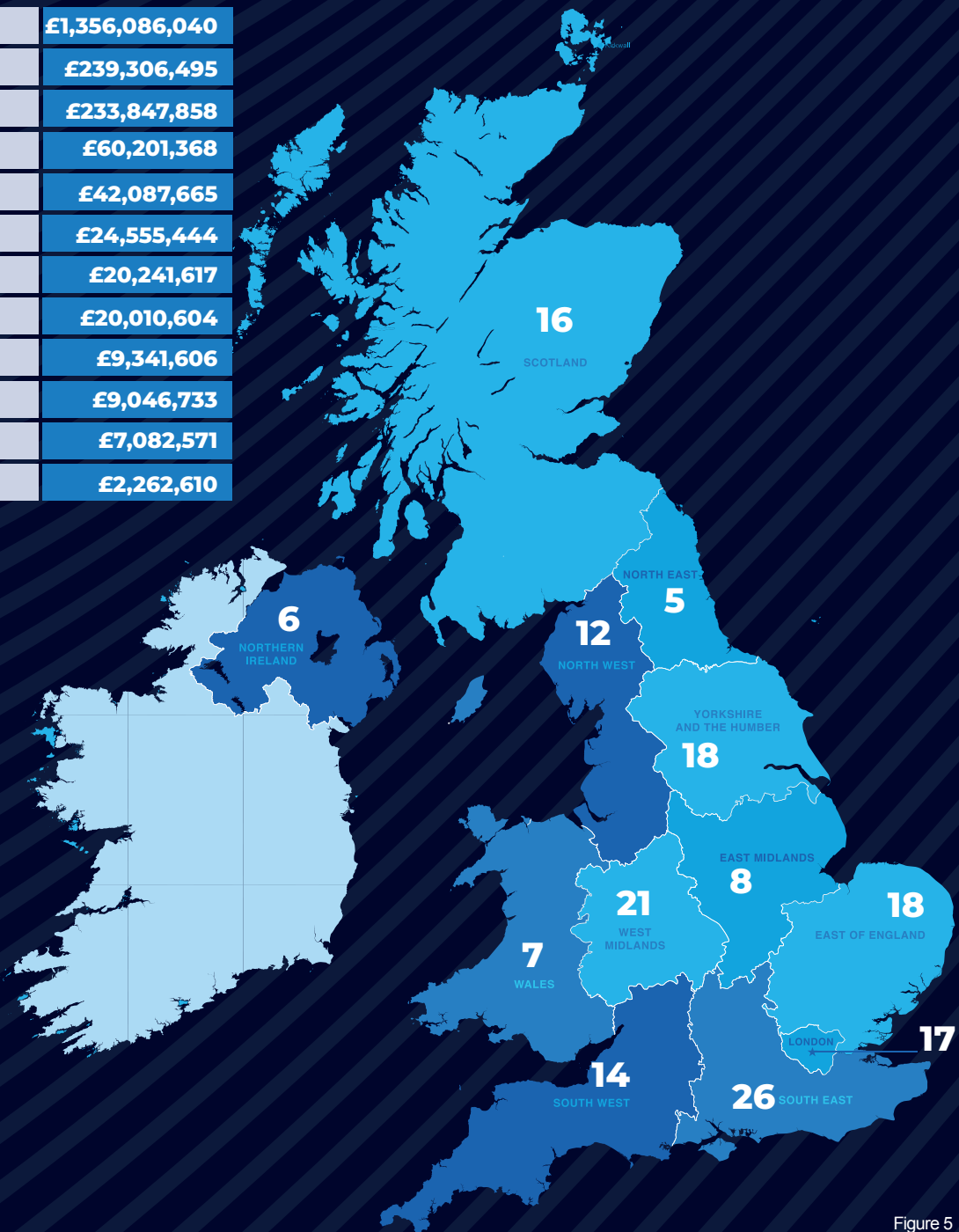


Figure 5

# DISCOVER MORE

UK healthcare media content, contracts and project leads with BiP Solutions

## Health Online – The Dynamic Healthcare Community

We are the UK's premier online healthcare community, comprising healthcare professionals and key healthcare suppliers. Supplying new and relevant content and news stories in the healthcare space, Health Online provides a fully customisable experience – meaning you only see the stories and topics most relevant to you.



[www.healthonline-uk.com](http://www.healthonline-uk.com)

## P4H – The Procurement Events for Health

P4H brings together healthcare procurement professionals and industry-leading suppliers. Officially supported by organisations such as the Department of Health and Social Care (DHSC) and NHS National Services Scotland (NSS), these one-day events provide exhibitors and attendees from the public and private sector with an opportunity to engage across a range of interactive and educational keynote talks, training sessions, supplier engagement opportunities and more. Each event is focused around supporting the latest healthcare procurement initiatives and objectives relevant to that country.

The programme of P4H events covers England, Scotland and Ireland.



[www.p4hengland.co.uk](http://www.p4hengland.co.uk)

[www.p4hscotland.co.uk](http://www.p4hscotland.co.uk)

[www.p4hireland.ie](http://www.p4hireland.ie)

## Tracker Intelligence

Tracker Intelligence helps you find, bid for and win more public and private sector contracts. Tracker offers the largest public sector tenders and awards database in Europe. It delivers private and public sector contract opportunities and awards, market intelligence, spend analysis and market leads at the click of a button. Stay one step ahead of your competitors and get personalised support to grow your business with Tracker.



[www.trackerintelligence.com](http://www.trackerintelligence.com)

**For more information Freephone 0845 557 1324**



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