BHTA Brief 2024: Regularise Sustainability & Social Value for True Impact

The British Healthcare Trades Association (BHTA) call for the UK government to resource the NHSE Central Commercial Function (CCF) to ensure the UK takes a clear, consistent, mutually beneficial approach to sustainability and social value, in partnership with industry. We call for:

- -- Empowering CCF to Drive Sustainability & Social Value Consistency with five "must-have" traits:
 - 1. Transparency
 - 2. Partnership
 - 3. Cost / Value Clarity
 - 4. Equitability
 - 5. Clear KPIs

It is essential that the UK's access to safe and effective medical devices does not come at the cost of the environment and fundamental human rights and social values. UK Health & Social Care (H&SC) commissioners (buyers) and suppliers (sellers) are attempting to navigate this new and complex landscape of supply chain accountability. On an operational level, this presents several risks; conflicting priorities, fragmentation, and lack of clarity.

Adopting the recommendations outlined here could boost the financial and moral strength of the UK market as a result of circular economy leadership; foster increased UK-based R&D investment; and improve the UK's position as a leader on climate change.

The NHSE CCF's <u>stated goal</u> is to "collaborate on [sustainability and social value] aims, share expertise, reduce duplication and achieve our objectives more efficiently." Driving consistency, especially reducing local variations by ensuring all NHS commissioners apply uniform sustainability and social value requirements, will be a cornerstone of success.

NHSE and DHSC have begun the essential and welcome processes of:

Policy Integration: To embed sustainability and social value principles into national H&SC policies, and to ensure that sustainability and social value principles are applied consistently via:

- NHS Long-Term Plan
- Greener NHS Initiatives
- Delivering a Net-Zero National Health Service
- NHS Supply Chain Embedding Social Value
- DHSC/Industry Design for Life Programme

Stakeholder Engagement: To engage key stakeholders, including H&SC professionals, policymakers, patients, and community representatives, as well as to encourage collaboration and participation, to foster a sense of ownership and commitment to sustainability and social value principles via:

- NHS Central Commercial Function Stakeholder Engagement
- NHS Sustainable Supplier Forum
- NHS Net-Zero Supplier Roadmap and Evergreen Sustainable Supplier Assessment

Without the above, the UK risks falling behind other nations in sustainability and social value; having a less attractive job market, making no progress on improving the planet, and driving companies and industry to more easily understood markets outside of the UK.

Recommendation – Empower CCF to Drive Sustainability & Social Value Consistency: Government must empower NHSE CCF with budget, resource, and authority to drive consistency in sustainability and social value across departments and commissioning bodies.

CCF-Led Sustainability & Social Value – Five Must-Haves

The CCF's sustainability and social value regime for UK med tech (including law, regulation, and guidance) should feature:

Transparency: Clear understanding of how sustainability and social value are weighted in procurement.

Partnership: A true partnership model, with equable sharing of risks and benefits between procurers and suppliers.

Cost / Value Clarity: Better comprehension of the cost model of sustainable and socially valuable products and services, especially in cases where UK suppliers might present better, more traceable product/service offerings, but at a cost higher than non-UK suppliers.

Equitability: Fair consideration of challenges faced by SMEs, including scalability and resource pressures.

Clear KPIs: Mutually agreed, regularly assessed performance metrics against sustainability and social value.

As far as possible, and in collaboration with industry, CCF should provide "best in class" examples of key deliverables, such as Carbon Reduction Plans (from companies) and real-world tender document Q&A's (from commissioners).

Benefits to Government

Adoption of these recommendations stands to deliver the following benefits:

- UK leadership in fighting climate change
- More effective and efficient post-pandemic recovery
- Enhanced chances to build sustainable UK H&SC systems that tackle economic inequality
- Increased investment in UK Research & Development to explore new ways to improve H&SC sustainability and social value
- Financial and moral strength of UK market increased as a result of circular economy leadership