



South East Coast Collaborative Procurement Hub

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Operations and Logistic Manager
Viamed Ltd
15 Station Road Cross Hills
Keighley
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13th September 2010

Dear Sir or Madam,

The South East Coast Collaborative Procurement Hub and PRO-CURE Collaborative Procurement Hub are working with NHS trusts in the south east coast and south central regions on an innovative new contract with logistics provider TNT to re-engineer the way goods are received into trusts. This contract means that NHS trusts now have control over their inbound supply chain and hold the contractual relationship with the carrier, a new concept for the NHS.

This will provide significant benefits to NHS Trusts:

- Reduced levels of carbon emissions, which will significantly improve the trusts carbon footprint.
- Less traffic within trust premises creating a safer environment for patients and staff.
- Greater efficiency for inbound receipting staff due to a reduced number of deliveries.
- Cashable benefits releasing money for frontline patient care.
- Online tracking of goods
- Scheduled delivery's eliminating premium rate requirements.

There are 12 trusts involved in a phased rollout of this delivery model. Phase one included four trusts and went live on the 1st of September 2010. Additional trusts will go live in November 2010 and January 2011. To view participating trusts and further information on the phased rollout please visit: <http://www.seccph.nhs.uk> and select Preferred Carrier via the information zone.

Explanation of the new working practice and contractual relationships

Traditionally, NHS trusts have raised purchased orders, contacted suppliers and then received goods, via the suppliers own couriers. The supplier would then invoice the NHS trust for the goods and carriage.

Due to this working practice an NHS trust, on average, will receive 60-90 orders per day from upwards of 30 different carriers. In most cases the NHS has paid carriage on each individual order regardless of whether the carrier has delivered 1 or 10 orders.

This new delivery model will require NHS trusts to continue to raise purchase orders and contact suppliers as usual. The supplier will then alert TNT that a collection is required and TNT will collect and deliver the goods to the trust. The supplier will then invoice the trust for the goods and TNT will invoice the trust for the carriage.

All NHS trusts have a standard daily delivery slot, between 08:00 and 09:00. The benefit to NHS trusts using TNT is that by having a pre-specified delivery time, they are eliminating the requirements for premium delivery rates. An additional benefit is that by using a single courier the trusts can manage their internal resources better.

What does this mean for our suppliers?

You have been identified as a key supplier to south east and south central NHS trusts and as such we will be requiring you to change the way you work with us.

We believe the benefits to you as a supplier are:

- More transparency when bidding for new contracts
- A shared ability to track consignments.
- Pre-determined delivery and collection times.

If you are a pharmaceutical supplier please contact the project team on 01306 646820 or email chris.lawrence1@nhs.net.

Contracted Suppliers

There are two types of delivery and invoice models:

1. The first is where a supplier will invoice the trust for carriage in addition to the product price.

As a supplier if you currently charge carriage in addition to your goods then we require you to use TNT.

2. The second is where a carriage cost element is embedded in to the product price.

Where you have existing contracts either locally or regionally with our NHS Trusts, which include in the price of the goods a 'carriage paid' element (this includes 'free delivery') then unless a new price that excludes delivery can be provided to trusts, there will not be a requirement to change before contract renewal.

This will avoid trusts paying for delivery twice. If this applies to your organisation, please contact the project team on 01306 646820 or email chris.lawrence1@nhs.net.

If you charge carriage for orders below your minimum order value or for premium rate deliveries you will then be required to use TNT.

Because the trusts will be on a pre-booked timed delivery you will be unable to book the delivery as a before 9, 10, 12 etc. without prior agreement with the trust procurement department, unless the order is extremely urgent and is for delivery 'out of hours'.

If you invoice a participating trust with a carriage charge without prior agreement the invoice will be returned to you unpaid and you will be asked to re-invoice.

Non Contracted Suppliers

There are two types of delivery and invoice models:

1. The first is where a supplier will invoice the trust for carriage in addition to the product price.

As a supplier if you currently charge carriage in addition to your goods then we require you to use TNT.

2. The second is where a carriage cost element is embedded in to the product price.

If you are not under contract and do not charge separately for delivery you will be required to remove the carriage paid element of your 'delivered' price and use the preferred carrier.

Because the trusts will be on a pre-booked timed delivery you will be unable to book the delivery as a before 9, 10, 12 etc. without prior agreement with the trust procurement department, unless the order is extremely urgent and is for delivery 'out of hours'.

If you invoice a participating trust with a carriage charge without prior agreement the invoice will be returned to you unpaid and you will be asked to re-invoice.

Working with TNT

TNT, at our request, has created the following sender account number/s. These accounts are NHS accounts that have been allocated to you and must be used to dispatch to our participating trusts.

Your allocated account is a standard TNT account and therefore follows TNT's standard terms and conditions. If you require an international account, hazardous handling or any other specialist handling requirements then please contact the project team on 01306 646820 or email chris.lawrence1@nhs.net.

Your account will be covered by TNT's transit liability cover, which holds a financial limit of £15 per kilo, subject to a maximum limit of £15,000 per shipment. If you believe that you require enhanced liability cover then please contact the project team with information on the level of cover that you require.

Step 1

Please find below the dispatch addresses held on our databases and your new TNT sender account number:

Note: You **must** enter the customer purchase order number in the reference box when booking your collection.

Viamed Ltd
15 Station Road Cross Hills
Keighley
BD20 7DT

TNT Account Number: 460513583

If we have listed an incorrect location or you require additional TNT account numbers for alternate dispatch locations then please contact the project team on 01306 646820 or email chris.lawrence1@nhs.net.

If you have a location listed here that does not have a commercial relationship with TNT you will need to contact TNT's customer services for the most suitable service package.

TNT Customer Services can be contacted on freephone 0800 100600

How to add account numbers to an existing TNT system?

MyTNT

If you are using MyTNT you will need to contact the TNT helpdesk for them to add the new account number/s onto your MyTNT log in

The TNT helpdesk number is 01827 711611

Express Manager

If you are using Express Manager, your new account number has been sent to the TNT CIT team who will be contacting you to arrange the addition of your new account number/s.

The TNT helpdesk number is 01827 711611

Express Shipper

If you utilise Express Shipper you have the ability to add a new sender account number yourself. See 'Further Information'.

Step 2

1. Select the new sender account number when booking goods to the participating trusts.
Note: You **must** enter the customer purchase order number in the reference box when booking your collection.
2. TNT will then invoice the cost of carriage directly to the trust.

Note: If you use the sender account number for non participating trusts, TNT will invoice the carriage back to you.

Step 3

Ensure that your invoices to the participating trusts do not include carriage.

If you invoice a participating trust with a carriage charge without prior agreement the invoice will be returned to you unpaid and you will be asked to re-invoice.

For your convenience we have included this information on our websites, please see 'Further Information'.

Further Information

The NHS trusts that went live on the 1st September 2010 were:

- Brighton and Sussex University Hospitals NHS Trust
 - Royal Sussex County Hospital
 - Princess Royal Hospital
- Frimley Park Hospital NHS Foundation Trust
 - Frimley Park Hospital
- Milton Keynes Hospital NHS Foundation Trust
 - Milton Keynes Hospital
- Nuffield Orthopaedic Centre NHS Trust
 - Nuffield Orthopaedic Centre

The phase 2 trusts going live (subject to confirmation) on or before 1st November 2010 are:

- Ashford and St Peters Hospitals NHS Trust
 - St Peters Hospital, Chertsey, Surrey
 - Ashford Hospital, Surrey
- East Kent Hospitals University NHS Foundation Trust
 - Kent and Canterbury Hospital
 - Queen Elizabeth The Queen Mother Hospital
 - William Harvey Hospital
- Oxford Radcliffe Hospitals NHS Trust
 - John Radcliffe Hospital
 - Churchill Hospital
 - The Horton General Hospital
- Southampton University Hospital NHS Trust
 - Southampton General Hospital
 - Princess Anne Hospital

- o Royal South Hants Hospital

Please visit our 'preferred carrier' page on our websites for more information on additional phases, trusts and updates.

South East Coast CPH www.seccph.nhs.uk

PRO-CURE CPH www.pro-cure.nhs.uk

These will also provide you with further information and contact details of the project team, please do not contact the individual trusts.

We will update both websites on a regular basis to inform you as new trusts go live, alternatively you can provide us with a contact email and we will keep you updated.

On both websites you will be able to download TNT's supplier information, alternatively you can call their customer services on freephone 0800 100600.

Yours sincerely

Chris Lawrence
Project Manager
South East Coast Collaborative Procurement Hub
PRO-CURE Collaborative Procurement Hub