



By email
31 January 2020

Dear Colleagues,

I want to start by thanking you for the work undertaken over the past 18 months through a period of uncertainty. Health and social care supply chains – vital for supporting uninterrupted and world-class care for patients across the UK – were well-prepared as we approached Brexit, reflecting your efforts and our collaboration.

Following the General Election, the Prime Minister confirmed the Government's intention to stand down no deal planning for 31 January 2020. The European Union (Withdrawal Agreement) Act 2020 has received Royal Assent and the Prime Minister, the European Commission and European Council leaders have signed the Withdrawal Agreement. It has now passed through the European Parliament and the European Council.

The UK will leave the EU today and enter a transition period, from 1 February 2020 to 31 December 2020. During the transition period, the UK will continue to stay aligned with EU law, and supplies, including medicines and medical goods, can continue to flow as today.

The effect of this is that the Department is now standing down its continuity of supply plans and preparations for EU exit on the 31 January 2020. However, due to the implications of the control measures that the Chinese Authorities have put in place to combat coronavirus, we recommend that you consider the resilience of your supply chains when making decisions on how to manage your stockpiles.

This means:

- **Stockpiling** – there is no longer a request from the Department to maintain stockpiles built up ahead of a potential 31 January 2020 EU exit.

If you are reducing your EU exit stockpiles of medicines and medical products and reverting to business as usual buffer stock levels, please do so in a controlled manner. Ensure that you are maintaining the integrity of markets and uninterrupted supplies for patients in the UK, whilst considering the implications of coronavirus and how this might impact your supply chains.

The Centralised Stock Build (CSB) of medical devices and clinical consumables (MDCC) administered by NHS Supply Chain will be drawn down in a managed way over the next four months, however, where necessary we will amend these plans in response to the evolving coronavirus situation.

Suppliers holding a Stock Holding Agreement with NHS Blood and Transplant are being contacted to agree plans to dissolve the agreements with minimum impact to all.

- **Warehousing** – with contracts already in place, Government-secured warehousing capacity will continue to be available to industry until the end of June 2020. If you believe you may have requirements beyond that date, please contact the Department to discuss further via the appropriate email listed at the end of this letter.

- **Freight –**
 - tickets for the Government-Secured Freight Capacity (GSFC) procured by the Department for Transport (DfT), have been released back to the market. Freight contracts for capacity immediately after 31 January have been cancelled, but the 4-year framework put in place by DfT remains in place. We will not be accepting any new registrations at this time and any existing or allocated codes are now invalid. Please also pass this information on to your hauliers or logistics companies.
 - similarly, the DHSC-procured Express Freight Service will also now be stood down, however, the contract will not be terminated and could be mobilised again later if required. The registration portal will be closed at the end of January 2020. However, we will seek to retain access to the registration portal used for both GSFC and the Express Freight Service and we will be maintaining the data you have submitted in line with GDPR guidance.
- **Regulation** – changes and clarifications to regulatory requirements that were made or planned in anticipation of leaving the EU without a deal are no-longer required for the end of January 2020.
- **Strengthening the processes used to deal with shortages** – some of the processes introduced to help to mitigate against the risk of supply disruption ahead of EU exit, such as the Serious Shortage Protocol and targeted Parallel Export ban, will remain in place. In addition, the Department will work with industry and other bodies to conduct a review of strategic supply chains in the medical area.

The National Supply Disruption Response (NSDR) function has been stood down. Any supply issues or shortages should be reported through business as usual channels.

- **Trader readiness** – the dedicated Trader Readiness Unit is now stood down. The Department will be working across Government to understand the likely customs and border arrangements at the end of the transition period and will communicate this to industry as soon as possible so preparations can be made.

Our supplier engagement teams may continue to schedule calls with some of you as part of our standing down activities, to answer any questions and to discuss points of detail regarding regulations and customs as required.

Over the past 18 months, the Department has worked very closely with suppliers and the health and social care supply chains are in a better place thanks to your collaboration. We are working to embed elements of our recent joint working into business as usual. Businesses will need to prepare for life outside of the EU's customs regime and single market at the end of 2020.

The Department is currently working with trade bodies to understand how we can support companies with timely guidance in advance of the end of the transition period. The Department will continue to communicate with you throughout 2020.

Further information

Should you have any questions, or require further information on the programme, please contact the appropriate workstream at one of the following email addresses:

- Medicines: medicinescontingencyplanning@dhsc.gov.uk
- Medical Devices and Clinical Consumables: mdcc-contingencyplanning@dhsc.gov.uk
- Clinical Trials: ctcontingencyplanning@dhsc.gov.uk
- Vaccines and Countermeasures: Immunisation-MB@dhsc.gov.uk
- Blood and Transplants: transplants@dhsc.gov.uk
- Non-Clinical Goods and Services: contractreview@dhsc.gov.uk

Finally, I repeat my thanks for your continued cooperation. This has been, and will continue to be, an effort of great collaboration and collective endeavour.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S.O.', written in a cursive style with a long horizontal stroke at the end.

Steve Oldfield
Chief Commercial Officer