



National Audit Office

## NEWS RELEASE

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Report by the Comptroller and Auditor General

### **Exiting the EU: supplying the health and social care sectors**

There is a risk of delays to supplies for health and social care if the UK leaves the EU without a deal. Government has done an enormous amount to manage this risk, but the National Audit Office (NAO) highlights that there is still significant work to be done. This includes improving government's understanding of preparedness across the supplier base, putting in place sufficient freight capacity to carry priority goods, and improving the readiness of the social care sector, including nursing homes.

In its report, published today, the NAO has reviewed the Department for Health & Social Care's (DHSC's) preparations to make sure the UK has a steady flow of supplies for the health and social care sector when it leaves the EU. Of the 12,300 medicines used in the UK, DHSC estimates that around 7,000 come from or via the EU.

The NAO recognises that this is a significant challenge and it is not possible for anyone to know exactly what will happen at the border if the UK leaves without a deal.

Government's own "reasonable worst case" assumption is that the flow of goods across the Channel could be reduced to 40-60 per cent of current levels on day one. This assumption underpins DHSC's preparations to try to avoid disruption. It has identified high risk areas and taken steps to respond. It has taken a multi-layered approach, focusing on three areas.

#### **Building up stockpiles and obtaining space in warehouses**

- DHSC has encouraged suppliers, including pharmaceutical companies, to build up stockpiles of medicines and other supplies but it has incomplete information about the level of stockpiles in place. It has also secured additional warehouses for companies to use.
- DHSC has created its own stockpile of six-weeks' worth of equipment and supplies that the NHS gets through at high volume, such as gloves and syringes. Its stockpile was 88% complete as of 20 September.
- Supplies of goods other than medicines for social care providers have not been similarly stockpiled.<sup>1</sup> DHSC has asked providers of care in nursing homes and domestically to put in

place robust contingency plans for the possible implications of a ‘no deal’ EU Exit. DHSC does not yet know how many providers have followed its advice, what preparations have been made and whether needs will be met.

**Re-routing supplies to avoid busy crossings, procuring additional freight capacity and preparing suppliers**


- Suppliers of medicines and other priority clinical supplies will be able to use freight capacity bought for government-wide use. DHSC expects to use 91% of government’s total freight capacity.
- The Department for Transport (DfT)-led procurement of freight capacity is underway but the time available to put capacity in place for 31 October is extremely limited and it might not now be possible to have all the freight capacity available on that date. DfT’s aim is to have as much of the freight capacity for priority goods as possible in place by 31 October, and all of it by 30 November at the latest.
- DHSC has started procurement of its own dedicated courier service which can pick up urgent medicines and supplies direct from manufacturers in Europe and deliver them to where they are needed in the UK. This will provide capacity for 50 pallets and an additional 35m³ of urgent or specialist goods to be transported each day.
- Despite recent efforts across government, there is a risk that traders, including medicine suppliers, will not be ready for new border processes by 31 October.

**Increasing DHSC’s ability to monitor the situation and respond.**

- DHSC is putting in place contingency plans to address any shortages in supplies. It is strengthening its ability to monitor the situation and respond quickly. It will get regular reports from local bodies about the situation in their area and it has set up a command centre to address getting supplies to places with potential shortage.

- ENDS -

**Key facts**

	<b>7,000 out of 12,300</b> the number of prescription-only and over-the-counter medicines that come from or via the EU	<b>40-60%</b> the assumed capacity on the first day at ports serving the short Channel crossings compared with current flows, under the government’s reasonable worst-case scenario	<b>2,326</b> number of heavy goods vehicle spaces per week that the Department of Health & Social Care has asked the Department for Transport for, as part of the government-secured freight capacity.
<b>450,000-500,000</b>	number of types of medical devices and clinical consumables - such as needles, syringes and stethoscopes - available to the NHS each year		

<b>£95 million</b>	value of planned additional stockpile of high-volume clinical consumables, £85 million of which was in place by 20 September
<b>91%</b>	proportion of government secured additional freight capacity earmarked for priority supplies to the health and social care sectors
<b>25%</b>	percentage of medicine product lines for which suppliers had reported to the Department of Health & Social Care (by 20 September) that they had secured freight capacity away from the short Channel crossings.
<b>72%</b>	percentage of medicine product lines for which suppliers had reported to the Department by 20 September that they held at least 6 weeks' stock.

## Notes for Editors

1. The NHS supplies medicines for people in social care, but social care providers also rely on non-medicine supplies that are not usually bought via the NHS.
2. Press notices and reports are available from the date of publication on the [NAO website](#). Hard copies can be obtained by using the relevant links on our website.
3. Our EU exit hub draws together all of our work on departments' performance on EU exit to-date. It is updated as we publish work and report to Parliament on risks to preparedness.  
<https://www.nao.org.uk/exiting-the-eu/>
4. The National Audit Office (NAO) helps Parliament hold government to account for the way it spends public money. It is independent of government and the civil service. The Comptroller and Auditor General (C&AG), Gareth Davies, is an Officer of the House of Commons and leads the NAO. The C&AG certifies the accounts of all government departments and many other public sector bodies. He has statutory authority to examine and report to Parliament on whether government is delivering value for money on behalf of the public, concluding on whether resources have been used efficiently, effectively and with economy. The NAO identifies ways that government can make better use of public money to improve people's lives. It measures this impact annually. In 2018 the NAO's work led to a positive financial impact through reduced costs, improved service delivery, or other benefits to citizens, of £539 million.

## Press Notice 44/19

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