

NHSE and Softcat: Building a scalable FinOps model for National Healthcare

Published

NHS England is the national leadership organisation responsible for overseeing and supporting the wider NHS to deliver high quality healthcare for all.

Its mission is rooted in helping patients receive safe, effective care, in the right place and at the right time, while ensuring NHS staff have the tools, data and training they need. NHS England carries wide-ranging responsibilities across funding allocation, service oversight, research-

driven data usage, digital delivery and the negotiation of major national commercial agreements. Its work underpins how the NHS operates every single day, from the NHS App and electronic patient records to nationwide screening, vaccination and workforce planning.

Key Facts

- 1** National leadership body responsible for allocating NHS funding, overseeing service delivery and driving improvement.
- 2** Formed through the consolidation of NHS England, NHS Improvement, NHS Digital and Health Education England.
- 3** Operates major digital services at national scale, including NHS App, NHS.uk and NHS 111 online.

The Challenge

The creation of the new, merged NHS England brought together several large organisations, each with its own systems, cloud maturity levels and historical ways of working. What emerged was a hugely complex cloud estate, made up of multiple providers, inconsistent tagging practices, fragmented contracts and workloads that had grown in different directions over the years.

Neil Gibbs - Head of Cloud Centre of Excellence at NHSE put it this way; "Over the last couple of years, NHS England were merged into by a number of legacy organisations... we came with lots of experience... but we found out that maturity wasn't quite there across other parts of the organisation." The result was a landscape where visibility was patchy, cost ownership varied dramatically between teams and no single commercial model existed across AWS and Azure.

For the Cloud Centre of Excellence (CCoE), originally formed within NHS Digital, the immediate challenge was scale. Practically overnight, the organisation had doubled. "The legacy arrangement [with NHS Digital] was a smaller operation," Neil explained, "the new contract is vastly broader in scope."

This growth pressure exposed operational risks too. The team relied heavily on a handful of people, especially in FinOps. John Rodgers - Supplier Manager for NHSE summed up the problem: "My first thought was that we can't have one single point of failure... everybody leaned heavily on Chris Squibb our FinOps Lead in the CCoE" Visibility of cloud spend and usage also became a priority. NHS Digital's strong tagging, chargeback and reporting processes didn't exist in some of the merged organisations. Chris described the challenge clearly: "With cloud solutions, being able to validate real-time costs with original spend forecasts is an essential baseline... we needed an effective way to monitor usage, make sense of what we were being billed for and understand the actual ongoing costs."

With dozens of business units, inconsistent historical contracts and competing priorities, NHS England needed a partner who could bring everything together, restore consistency and support a sustainable, future-proof operating model.

Critical Success Factors

- Achieving complete transparency of spend and usage across AWS and Azure.**
- Establishing a scalable FinOps model that removed single points of failure.**
- Consolidating legacy cloud agreements into unified, strategic commercial frameworks.**

The Solution

Softcat built on its longstanding relationship with NHS Digital, stepping forward from a more background role into a highly integrated partnership.

The approach centred on combining CloudHealth by VMware with Softcat's embedded FinOps expertise, giving NHS England the visibility and control needed to operate at scale.

Neil described the shift plainly: "Rather than Softcat being a tactical supplier in the background, they've very much come to the forefront and become a strategic partner... they seem to have just been added into the fold and integrated into the organisation really well." With Softcat analysts now working closely day to day with NHS teams, communication became more fluid and support more proactive.

Workshops quickly became a staple of the partnership. Chris highlighted their impact: "The monthly workshops with Softcat were particularly valuable... it enabled us to consolidate and simplify billing, and fully understand usage across more than 70 business units."

To eliminate dependency on individuals and support the needs of a much larger organisation, Softcat introduced its ServiceNow service wrap. Instead of ad hoc requests landing on one person, teams could now raise tickets formally, request reports, initiate changes and follow structured workflows.

This, John noted, "works really well... you actually see very few incidents now because issues are nipped in the bud before they can develop."

One of the most transformative steps was commercial consolidation. Softcat helped NHS England bring multiple Azure contracts together under a single agreement and negotiated a new AWS OGVA. As Calum Logan - Softcat Cloud Sales Manager, explained, "We consolidated numerous Microsoft agreements under one overall Azure agreement... and negotiated a new OGVA... resulting in a clear commercial picture and standard reporting across all cloud providers."

Saving money was a major priority, but so was doing it safely. Softcat's FinOps analysts worked with NHS England to adopt Savings Plans and Reserved Instances aggressively but responsibly. The confidence came from shared data and transparent forecasting. "We can use the data to run and trust what we're putting in," Chris said, "we've not been bitten or burnt once."

Softcat and NHS England continued to evolve the model together, reviewing improvements, testing new approaches and refining processes. As Andrew put it, "There have been many scenarios where we collaborate... they bring ideas to the table and ultimately it improves our service."

Solution Highlights

- Embedded FinOps analysts working as an extension of NHS England's CCoE.**
- Consolidated Azure and AWS commercial agreements for clearer governance and value.**
- Powerful visibility and forecasting enabled through CloudHealth and custom dashboards.**

The Benefits

The financial impact was immediate and significant. Savings Plans and Reserved Instances quickly

delivered significant monthly savings. Chris shared the scale:

“Savings Plans and Reserved Instances are currently saving us huge amounts every month... around a 25% saving on what we would otherwise be paying.”

Chris Squibb, FinOps Lead in the CCoE

As more optimisation activity took place and commercial consolidation bedded in, the numbers grew even further. Calum confirmed the milestone clearly: "we've been able to save NHSE significant amounts over the contract so far." Operational benefits have been just as important. With Softcat analysts embedded and the service wrap in place, the CCoE regained valuable time that had previously been lost to manual consolidation, repeated requests or duplicated effort. Teams across NHS England now meet regularly with Softcat, reducing noise, building trust and ensuring a consistent rhythm. John described the shift: "They already know they've got a regular call with Softcat... so they go into these calls with all their questions ready to go."

The partnership has also strengthened NHS England's cultural approach to cloud cost ownership. Teams can now see the impact of their decisions, enabling them to demonstrate savings, justify investments and make informed choices. "Teams are wanting to use the data to show their cost savings. It's really helping to drive that growing FinOps culture," Chris noted.

Trust between the organisations has deepened substantially. NHS England appreciates Softcat's proactive communication as well as its responsiveness to challenges. Neil captured this sense of partnership: "We feel we've got even stronger support from Softcat than we had in the past. Since working more closely, we've seen the benefit of more proactive engagement from the team."

And crucially, both sides value the openness of the relationship. As Chris said, "We can be really open and honest... we can give you challenging feedback because we know you'll work with us to get to a solution." Andrew Smith - Softcat Strategic Client Director agreed jokingly: "We've had some really hard conversations... but they're always productive, which gives us all opportunities to develop." Andrew continued, "There have been many situations, and there'll be many more moving forward, where we collaborate with the guys on challenging projects; but ultimately, NHSE and Softcat both bring ideas to the table. That improves the service that we offer for NHS England, and our wider customer base. It's a great partnership in that respect"

Benefits at a Glance

- Significant commercial cost savings delivered within the first months of the new contract**
- Stronger, scalable FinOps culture with clear team-level cost ownership.**
- Unified AWS and Azure contracts offering clarity, stability and value for taxpayers.**

Why softcat

NHS England chose Softcat because of Neil, consistency and a genuine sense of partnership. As Neil put it,

“Softcat has been an extension of our team... people probably think some of them work for the CCoE.”

Chris added, "Softcat are very can do... it takes a while to get to that trust, but it's there." And John summed up the heart of the relationship: "You've got to have trust... you've got to have a partner pulling in the same direction, and that's what we have with Softcat."