

Supplier Management

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Business Services Authority

NHS London Customer Board Meeting

Summary Report

Tuesday 13th September 2016

Present:		
Chair	Colin Gentile	Chair, London Customer Board Chief Financial Officer, Kings College Hospital NHS Foundation Trust
Board Members:		
	Lorraine Bewes (in part)	Director, North West London Procurement Programme
	Stacie Croxton	Customer Engagement Director, NHS Supply Chain
	Geraldine Cunningham	Associate Director of Cultural Change, Barts Health NHS Trust
	Steven Davies	Deputy Chief Financial Officer, Moorfields Eye Hospital NHS Foundation Trust
	Mike Dinan	Director of Financial Operations, Royal Free London NHS Foundation
	Lucie Jaggar	Director of Procurement and eCommerce, Barts Health NHS Trust
	Will Laing	Business Partner - Health, Crown Commercial Service
	Pia Larsen	Director of Procurement and Supply Chain, University College London Hospitals NHS Foundation Trust
	David Lawson (in part)	Chief Procurement Officer, Guy's & St Thomas' NHS Foundation Trust
	Tom Neilan	Head of Customer Engagement London, NHS Supply Chain
	Siobhan Peters	Deputy Chief Financial Officer, Imperial College Healthcare NHS Trust
	Marcus Thorman	Chief Financial Officer, The Royal Marsden NHS Foundation Trust
	Mario Varela	Managing Director, London Procurement Partnership
Apologies:		
	Richard Alexander	Chief Financial Officer, Imperial College Healthcare NHS Trust
	Sandra Easton	Director of Finance, Chelsea and Westminster NHS Foundation Trust
	John Goulston	Chief Executive, Croydon Health Services NHS Trust
	Gus Heafield	Chief Financial Officer, South London and Maudsley NHS Foundation Trust
	Matthew Hopkins	Chief Executive, Barking, Havering & Redbridge University Hospitals NHS Trust
	Barry Jenkins	Director of Finance, North East London NHS Foundation Trust
In attendance		
	Rachel Bowman	Stakeholder Manager, NHSBSA
	Ann McChesney	Deputy Director- Complex Transactions Team, DH
	Michael Pace	Procurement Delivery Manager, NHSBSA
Customer Board Exec:		
	Louise Hillcoat	Stakeholder Manager, NHSBSA
	Gill McCann	Stakeholder Director, NHSBSA

Part 1

1. Introduction

- 1.1 The Chair welcomed everyone to the meeting, He asked all attendees to introduce themselves and to share what they believed their contribution to the board could be.

2. Minutes and Action Report

- 2.1 The Chair took members through the minutes from the last meeting, which were approved with no amendments or redactions.
- 2.2 The Chair then took members through the action report, with most actions now being closed

3. Update from National Customer Board

- 3.1 The Chair provided members with an update from the 6th September National Customer Board meeting with the following key points of note:
- Great progress on work with NHS Supply Chain, savings from regions £7m ahead of plan
 - Working well together in a complex landscape, with plenty still to do
 - In discussion with colleagues at NHS Improvement on how to help them deliver their agenda
 - NHSI metrics have been developed to support trusts deliver their PTPs
 - Customer Board feedback has been given to Jin Sahota (DoH) on the Future Operating Model
 - CCS annual review and quarterly newsletter have been developed as an output from the CCS Operational Review and Survey to which Customer Boards contributed
 - Excellent progress in Clinical Evaluation Team and support for key procurement initiatives

4. Review of Progress against Objectives and Workplan for the London Board

4.1 Objective 1 - NHS Supply Chain

Nationally, progress to the £300m target is looking strong and from a London perspective performance is in line with expectations. Key points below:

- Core list – this is a fundamental programme to the delivery of the savings target and is growing in importance as there is a move towards the NHS Core Catalogue (Carter recommendation), with Core List Single Use Tourniquet and Urine Drainage Bags showing increased uptake, post launch.
- The poor uptake of the NHS England Excluded Devices Programme Zero Cost Model was discussed. A letter is being sent out by NHS England to trusts asking for an increased uptake and for their cooperation with sharing of local data.
- The first £150m savings were delivered predominantly through price down and retrospective rebate deals in return for commitment achieved with the supplier base. The second £150m needs to be delivered through more sustainable savings activity via product switching, particularly the increased uptake of the Compare and Save programme and price reduction initiatives achieved through consolidation of volume. Members suggested that negotiation of better pricing was not going to deliver long term sustainable pricing so the only way to deliver savings is through switching to cheaper products, starting with low contention products.
- Members were provided with an overview of the NHS Supplier Board, some members were not aware of the Supplier Board activity but welcomed the information that they were given.

4.2 Objective 2 – Crown Commercial Service

Members were advised that CCS should be seen as an extension of the Public Sector procurement activity and that there is a change of emphasis in CCS from a narrower category approach to a broader view of procurement across all public sector organisations, including healthcare.

Members attention was drawn to the quarterly newsletter which gives a snapshot of business activity, focused on market sectors including the healthcare sector.

Some members advised that they had used some of the CCS contracts and that the service was to be recommended.

4.3 Objective 3 - Increase connectivity to and engagement with customers across the region

4.3.1 DoF Engagement

The Board agreed that the engagement of Directors of Finance to support future standardisation and savings targets was critical but that unless via STPs, no formal network in which to relay the message existed.

4.3.2 Engaging the Procurement Community

The Chair suggested that some procurement departments are not fully informed of the savings initiatives, and asked how that can be improved. Members were in agreement that a core competency in procurement should be a requirement of all healthcare management professionals, including DoFs.

It was noted that there was a strong need for improved data sharing and how you would run procurement across ten hospitals, organisationally and functionally.

4.3.3 Clinical Connectivity & the work of the Clinical Evaluation Team

The Clinical reference Board oversees the new Clinical Evaluation Team which is resourced by clinicians and has strong links with the RCN. Members discussed the recent CET regional workshops where wider clinical engagement, including materials management, has been considered a success. It was confirmed that the current CET activity is currently a delivery mechanism for savings through NHS Supply Chain only but going forward into the FOM, each Category Tower will have to engage with clinicians for product evaluation throughout the contracting process, from specification to product selection.

4.4 **Objective 4 - Facilitate, support and input to national solutions**

The NHSBSA gave a brief introduction to the Trusted Customer programme and cited the example of the collaborative work in the blunt fill needle category within the Shelford group which has delivered 47% savings by putting consolidated volumes to the market. Future programmes involve the Trusted Customer promoting the national strategy to the wider NHS by demonstrating material benefits and achievability.

5. **AOB**

5.1 The Chair thanked members for their contribution and brought the meeting to a close.

Part 2

NHS Supply Chain colleagues left the meeting and the Chair introduced Ann McChesney from the Department of Health who provided an update on the Future Operating Model.