

**Supplier Management**  
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***Business Services Authority***

**NHS Southern Customer Board Meeting**  
**Summary Report**  
**11<sup>th</sup> August 2016**

<b>Present:</b>		
<b>Chair</b>	Suzanne Tracey	Acting Chief Executive, Royal Devon and Exeter NHS Foundation Trust
<b>Board Members:</b>		
	Malcolm Cassells	Director of Finance and Procurement, Salisbury NHS Foundation Trust
	Greg Dix	Director of Nursing, Plymouth Hospitals NHS Trust
	Zoe Greenwell	Interim Director of Purchasing & Supply, Bristol & Weston NHS Purchasing Consortium
	Mark Gronow	Director of Procurement, Peninsula Purchasing and Supply Alliance
	Simon Hall	Clinical Specialist Lead, Clinical Evaluation Team
	Jane Harrison	Acting Procurement Director, NHS Commercial Solutions
	Clare Johnstone	Clinical Specialist Lead, Clinical Evaluation Team
	Lisa Symons	Head of Procurement, Royal Cornwall Hospitals NHS Trust
	Steve Vandyken	Director of Procurement and Supply Chain, University Hospital Southampton NHS Foundation Trust
<b>Apologies:</b>		
	Chris Adcock	Director of Finance, Portsmouth Hospitals NHS Trust
	Sarah Brampton	Director of Finance, Devon Partnership NHS Trust
	Sarah Charman	Head of Procurement, East Kent Hospitals University NHS Foundation Trust
	Stacie Croxton	Customer Engagement Director – NHS Supply Chain
	Nick Gerrard	Director of Finance and Performance Management, East Kent Hospitals University NHS Foundation Trust
	Alex Gild	Director of Finance, Performance and Information, Berkshire Healthcare NHS Foundation Trust
	Stephen Orpin	Director of Finance, Maidstone & Tunbridge Wells NHS Trust
	Jane Platts	Business Delivery manager Health, Crown Commercial Service
	Spencer Prosser	Chief Financial Officer, Brighton and Sussex University Hospitals NHS Trust
	Mark Slaney	Head of Procurement and Logistics (Acute Services) Torbay and South Devon NHS Foundation Trust
	Martin Sykes	Director of Finance & Strategy and Deputy Chief Executive, Frimley Health NHS Foundation Trust
	Sarah Truelove	Director of Finance and Deputy Chief Executive Officer, Royal United Hospital Bath NHS Trust
	Clive Tracey	Assistant Director Commercial Services, Kent Community Health NHS Foundation Trust
	Richard Ward	Procurement Transformation Lead, Royal United Hospital Bath NHS Foundation Trust
<b>In attendance</b>		
	Andrew DeWhalley	Commercial Division Finance, Commercial & NHS, Department of Health
	Martin George	Capital Lead, NHS Supply Chain
	Andy Harris	Procurement Delivery Manager – Clinical Supplier Management, NHSBSA
	Rachel Philpotts	Category manager, Crown Commercial Service
	David Robertson	Business Director South, NHS Improvement
	Darren Williams	Regional Account Manager, South, NHS Supply Chain
<b>Customer Board Exec:</b>		
	Catherine Barker	Stakeholder Co-ordinator, NHSBSA
	Gill McCann	Stakeholder Director, NHSBSA

## Part 1

### 1. Introduction

1.0 Brief introductions around the table were made. The Chair welcomed new members; Zoe Greenwell, Interim Director of Purchasing & Supply, Bristol & Weston NHS Purchasing Consortium, Simon Hall, Clinical Specialist Lead, Clinical Evaluation Team, Jane Harrison, Acting Procurement Director, NHS Commercial Solutions, Clare Johnstone, Clinical Specialist Leads, Clinical Evaluation Team, Rachel Philpotts, Category Manager, Crown Commercial Service attending in place of Jane Platts and David Robertson, Business Director South from NHS Improvement were also welcomed. Other new members include Stephen Orpin, Director of Finance, Maidstone & Tunbridge Wells NHS Trust, Clive Tracey, Assistant Director Commercial Services, Kent Community Health NHS Foundation Trust and Spencer Prosser, Chief Financial Officer, Brighton and Sussex University Hospitals NHS Trust to the Southern Board who are unfortunately unable to attend today's meeting. Richard Ward was also unable to attend today but was welcomed back as a member in his new role as Procurement Transformation Lead, Royal United Hospital Bath NHS Foundation Trust.

## **2. Minutes and Action Report**

2.1 All were in agreement with the minutes and it was agreed that going forwards draft minutes signed off by the Chair would be issued by email to all Heads of Procurement and Directors of Finance in the region with key messages from the meeting.

2.2 The chair explained that a summary of actions had been produced and that the majority had been worked on and closed since the last meeting, updates were provided to members.

## **3. Update from the National Customer Board**

3.0 The Chair summarised the key messages from the National Customer Board on 10<sup>th</sup> May.

- Continued work to bring CCS agenda in to the work of the Customer Board
- Plan emerging on role of Customer Boards in the next £150m savings target with NHS Supply Chain
- Clinical Evaluation Team mobilised and working on NHS clinical requirements and future product specifications
- Proactivity and connectivity across regions critical – procurement, finance, CEO and clinical
- Contribution of Customer Boards to Future Operating Model development being consulted with the DH

## **4. Review of Objectives and Workplan for the Southern region**

4.0 The Chair took members through the draft workplan, members were in agreement with the objectives and the detail included in it, and as such signed the workplan off.

### **4.1 Objective 1 - NHS Supply Chain**

Darren Williams gave an overview of the Southern Board's performance. Key points included:

- Southern area accounts for 22% of the national spend, overall savings share is 6% above what would be expected for the region
- Commitment discounts contribute 30% of savings – there has been a significant uptake in recent months mainly due to changes in processes that trusts have implemented which is now seeing savings come through
- Compare and Save, despite the low end of year figure is currently contributing +1% of the expected regional savings at 23%
- Net price change contributes 17% of savings – it was noted this is lower than the expected share due to the product mix and presence of strong collaboratives in specialist areas driving bespoke deals

4.2 Members were advised that NHS Supply Chain would be focussing on Core List as the savings numbers were significantly higher and it was also part of the national program. It was noted that it should be expected that all trusts should use Core List products unless already locked into specific contracts and that there may be a change in supplier behaviour as a result of this activity and members should ensure that all discussions with suppliers remain transparent.

### **4.3 Objective 2 - Crown Commercial Service**

The first ever annual business plan 2016/17 has been produced with the strategic objectives identified as follows:

- Savings Delivery for government and wider public sector to generate savings of £200 - £250m with opportunities to be agreed and measured (rather than top down government targets)

- Service Delivery – growing and supporting customers with a new focus on the Wider Public Sector to grow spend by 20% and with a new team in place looking at how savings translate to each sector and ensuring that category strategies are fit for purpose for the NHS
- Policy Delivery – deliver government objectives on procurement policy
- Business transformation and capability – improve commercial and organisational efficiency and improve staff engagement
- Governance and financial management – strengthen operational controls and deliver the financial plan

4.4 Members attention was drawn to the quarterly newsletter contained in the pre read pack outlining savings available now.

4.5 **Objective 3 - Increase connectivity to and engagement with customers across regions**

4.6 Members were informed that the Chair had had discussions with a number of members around how to better engage with the DoF population with agreement to focus on the following points:

- Links with NHSI will be very important, and a DoF representative from the Customer Board will be elected to link into the HFMA hosted NHSI DoF forums
- Pinpoint which trusts need the most support and promote ongoing discussion with information
- Include strategic topics people want to learn more about or share

4.7 Members were provided with an overview of the Clinical Evaluation Team (CET), key points below:

- 5 stage critical pathway has now been approved
- 2 year work plan has been developed and approved with funding in place for 1 year
- Priority products have been identified that are everyday healthcare products found in 99% of sites to ensure that the output will have an impact on savings
- 4 regional workshops have been held to engage with clinicians
- Outcomes will not recommend a specific product but will provide enough information for Heads of Procurement to make an informed decision based on proven evidence
- CET are independent of NHS Supply Chain, though the output and specifications from the CET will be used by NHS Supply Chain to inform procurement decisions
- Output will be freely available to suppliers and trusts, with the intention being that the CET work complements trusts work rather than duplicating it

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

The Trusted Customer program has now aligned with the Clinical Evaluation Team, with the Trusted Customers starting to take ownership and act as advocates for their categories. Success stories are now starting to emerge with a recent saving of 60% over 3 lines on theatre clothing.

4.9 **Objective 5 - Increase compliance**

Members were given an overview of NHS Improvement and the direction they are going in. The Productivity department is being transferred from the Department of Health into NHSI and will be well resourced to ensure it meets its targets.

4.10 Lisa Symons provided members with an update of the progress with the GS1 project, now named 'Scan4Safety'. The project was going well with Royal Cornwall leading on the catalogue management core enabler. Key lessons learnt so far:

- GS1 is not easy to explain
- Is not just a procurement project but more a full change management project
- Requires much more resource than first thought
- Involving clinicians is crucial to the success

5.0 **AOB**

The Chair thanked members for their contribution and brought Part 1 of the meeting to a close. The next meeting will be held on 10<sup>th</sup> November 2016.

**Part 2**

NHS Supply Chain and other colleagues left the meeting and the Chair introduced Andrew DeWhalley from the Department of Health who provided an update on the Future Operating Model and review of 2015 to inform 2016 planning.