

NHS Supply Chain Medical Supplier Board Meeting
The Wesley Hotel, London
19/04/17
Meeting Notes

Attendees

- **Chair:** Chris Holmes, Head of Procurement & Customer Value, NHSBSA
- **Secretariat:** Louise Hillcoat, Supplier Stakeholder Manager, NHSBSA

- Phil Bailey, P/T GS1
- Catherine Barker NHSBSA
- Naomi Chapman DH, CET
- James Cheek BIVDA
- Ila Dobson AXREM
- Nicki Dill Barema
- Mick Guymer NHS Customer Board
- Nicola Harrington NHS SC
- Mark Hart NHS SC
- Chris Hill SDMA
- Jason Lavery NHS SC
- Tracey Lloyd BHTA
- Juliette New, P/T GS1 P/T
- David Newton DH, CET
- Mat Oram, P/T Advise Inc
- David Pierpoint NHS SC
- Edmund Proffitt BDIA
- Nishan Sunthares ABHI
- Andy Sutcliffe UTA
- Tracy Stewart AHPMA
- Debbie Lebauch Medilink UK
- Paul Webster DH
- Paul West, P/T NHS Improvement
- Ian White, P/T NHS Improvement
- Doris-Ann Williams BIVDA
- Rob Young NHSBSA

Apologies

- Sandra Barrow DH
- Ray Hodgkinson BHTA
- Mark Kilner NHS England
- Jin Sahota DH
- Paul Surridge BIHIMA

Meeting Notes

	Item
19/04/1	Welcome and Introductions led by Chris Holmes
1.1	Chris Holmes read out Competition Law guidelines to the Board as a Standing item requirement
1.2	The Board members are reminded that, with the exception of commercial in confidence slides, all Key Documents will be produced and posted on the Supplier Board website in full and in line with its Transparency Objective. As all Suppliers will have access to the website, the documents will be produced in such a way that the un-initiated reader will have some understanding of the documents and content, even without having all the background.
19/04/2	Introductions and apologies, Action update
2.1	All attendees and guests were welcomed to the Wesley Hotel and introductions were shared. All Actions from the January 2017 meeting are now completed or updates have been provided.
19/04/3	Supplier Board Review - Terms of Reference (ToR), Membership, Chair
3.1	Final version of the Terms of Reference are agreed and will be accepted going forward
19/04/4	NHS Supply Chain Procurement Update – David Pierpoint
4.1	<p>David Pierpoint and Nicola Harrington presented an update of the NHS Supply Chain contract performance dashboard.</p> <p>SRM at the previous supplier board, there had been a request for all members to encourage their supplier members to complete a survey monkey in order to capture accurate contact data. Due to the low response rate, and the increasing need for accurate contact information to support communications programmes relating to landscape and savings, a manual approach has been designed, where individual NHS Supply Chain buyers will communicate with their suppliers by email requesting key contact data, which will constitute a permission based mailing list for use by the DH, CET, NHSBSA and NHS Supply Chain in order to ensure all suppliers receive relevant information in a timely manner.</p> <p>Chris Hill suggested that current contact lists are shared with the trade associations, so that they can check against their membership lists. Action: Nicola Harrington</p> <p>Update on the savings delivery. Although the forecast has been revised downwards for this trading period, NHS Supply Chain is still on track for delivery of £300m cash releasing savings by end of the contract period.</p> <p>Service levels statistics relate only to service to NHS trusts. Andy Sutcliffe, UTA, referenced difficulties in dealing with Rugby from a supplier point of view and asked what analysis was done regarding service to suppliers. David Pierpoint explained that Rugby is a regional distribution centre as well as national distribution centre and had experienced some challenges, which were well documented. David Pierpoint asked members to give their feedback on their service experience of Blue Diamond and E-direct supply channels, in order to identify any issues or potential</p>

improvements. An email asking suppliers about their service level experience will be sent to members asking them to cascade to their membership. The responses will be collated by NHS Supply Chain and fed back at the next meeting.

Action: David Pierpoint/Louise Hillcoat

David Pierpoint gave an update on the procurement function within NHS Supply Chain

He gave a presentation of the Category Management process, which had been developed in conjunction with Positive Purchasing and tailored towards the public sector and in particular the healthcare sector. This exercise is now focused on 24 key category strategies which make up the majority of NHS Supply Chain's value and will deliver the bulk of the £300m cash releasing savings.

James Cheek, BIVDA, asked how the Category Management approach sits with the Carter recommendations of reducing product and price variation.

David explained that the category strategies are taking on board the national savings recommendations and the individual strategies will facilitate implementation of the Carter recommendations.

Rob Young confirmed that the strategies support the Carter price transparency agenda such as removal of retrospective rebates, bespoke pricing, management fee structures over time and a move towards a national price. Nishan Sunthares, ABHI, asked for an update at the next meeting on how successfully this policy was being implemented and how its success is being measured.

Action: Catherine Barker

Nicola Harrington asked members to communicate to their members that the product specifications and product descriptions that are included in the contracts are often a cause for delay in the contracting process and urged that suppliers check them for accuracy throughout the process.

Action: All members

A Procurement Calendar can be viewed on the red Savings tab on www.supplychain.nhs.uk. This gives a forward view of activity that will be undertaken in procurement and aims to give insight to trusts and suppliers alike.

Mark Hart referenced the Cardiology Super-tender as an example of where category management has been used to develop a category strategy to align with national programmes. He recognised that the team has encountered many challenges and issues throughout the tender process from the supplier base and asked for industry support in a post-implementation assessment of how the contract has been run. Nishan Sunthares confirmed that ABHI would welcome and be supportive of that request and would want to be involved. Mark Hart will organise a lessons learned workshop and report back to the next meeting.

Action: Mark Hart

David referenced the Trusted Customer programme through which NHSBSA, NHS SC and the procurement specialists within the NHS input into category strategy design. The Trusted Customer then acts as an ambassador to support trusts in implementing the strategy.

ABHI suggested that a Trusted Supplier concept would be beneficial to explore. Rob Young confirmed that this is a programme that is being considered within the NHSBSA and further engagement with industry is planned to enable the concept to be considered further.

<p>19/04/5</p> <p>5.1</p>	<p>Clinical Evaluation Team programme update - Naomi Chapman, Programme Lead and David Newton, Clinical Lead</p> <p>Naomi Chapman gave a presentation update on the work of the CET</p> <p>Since the last supplier board, some process updates have been implemented including:</p> <ul style="list-style-type: none"> • supplier information sessions as standard for all evaluations • supplier feedback window is a minimum of 72 hours • clinical criteria are shared with suppliers to allow submission of any further information relevant to those criteria. <p>Two new reports are now uploaded to the website. Gelling fibre and Island dressings. These can be viewed at: https://www.nhsbsa.nhs.uk/nhs-procurement-stakeholder-boards/nhs-customer-board-procurement-and-supply/nhs-clinical-evaluation-team</p> <p>James Cheek, BIVDA, referenced that most suppliers are working to deliver patient pathway improvements, which may mean that individual products are priced more highly, but deliver efficiencies and savings. Naomi Chapman, CET, responded that as clinicians they are very aware of patient pathway benefits, but that price of products is not within the scope of the CET work. She recommended that BIVDA contact the head of commissioning for NHS England to address concerns and would be happy to put James in contact.</p> <p>Action: Naomi Chapman</p> <p>Chris Hill, SDMA, asked for confirmation that the CET reports would not be used to inform procurement activities. It was clarified that the CET reports had a number of uses, one of which (where appropriate) is to help inform procurement activity. PW commented that a statement issued by the CET stating how they operate had been produced and asked that this be shared with members.</p> <p>Action: Catherine Barker</p> <p>Mick Guymer, referenced the work that is being carried out at NWPD into value based procurement. He offered to link BIVDA and other members into the programme lead; Brian Mangan.</p> <p>Action: Mick Guymer</p> <p>Paul Webster, stated that the DH has engaged with many suppliers in order to communicate and understand the way the landscape is changing. The open and mutually beneficial communications have been highly valued by the DH, so it is disappointing to learn that one supplier, within a particular product category, has engaged a research organisation to engage with clinicians, with a targeted approach to undermining the work of the CET and national savings initiatives. He asked members to cascade that message to their membership.</p> <p>Action: All members</p>
<p>19/04/6</p> <p>6.1</p>	<p>Inform on NHS Supply Chain's Capital Solutions business unit – Jason Lavery</p> <p>Jason reported that the Capital category has seen an increase in business performance after last year's challenges. This year marks the 5th anniversary of the Capital Trading fund during this time it has accounted for £0.76bn Capital spend and delivered circa 10% additional savings for the NHS. The Capital division of NHS Supply Chain is operating ahead of their £158m savings target.</p> <p>They are launching a new savings statement for the NHS within the Capital trading area. This has traditionally been difficult due to the payment timescales and measurement of spend within the NHS.</p>

	<p>Capital are running a programme covering 15-20 business areas to aggregate volume across the NHS and drive collective demand to drive budget efficiencies. Chris Hill asked for details of the business areas covered and Jason offered to share the savings calendar with all members. Action: Jason Lavery</p> <p>The second phase of the Cancer fund has seen a £130m investment in linear accelerators within the NHS with £40m spend in 2016.</p> <p>Capital have developed a strategic investment planning service which allows trusts to review their equipment age and usage and prioritise when equipment needs to be replaced. This is a support service to trusts who can utilise the service to forward plan budget allocation.</p> <p>The team are working with trusts to examine how they finance their equipment replacement and £50m has been ring-fenced by the DH to support equipment purchase, point of sale maintenance and financial solution payment plan.</p> <p>Mick Guymer commented that capital budgets have been impacted within trusts and that they have had to submit a two year Capital investment programme. This presents an opportunity for the NHS to know more about the Capital programmes and to enhance budget usage within Trusts.</p> <p>Some trusts are operating managed equipment services, which they see as enabling the use of different Terms and Conditions as well as VAT savings. Paul Webster drew the meeting's attention to a forthcoming communication to all trusts to remind them of their VAT obligations and compliance to tax guidance.</p>
<p>19/04/7</p> <p>7.1</p>	<p>GS1/Scan4Safety – Juliette New and Phil Bailey GS1</p> <p>The meeting received an introduction to GS1 in the UK. GS1 UK will be publishing a best practice guide to trusts regarding patient safety and infection control and suppliers will benefit from this guide.</p> <p>New Medical Device Regulation was adopted for Europe in April 2017 replacing the current Medical Device Directive (94/42/EEC) and Active Implantable medical Device Directive (90/385/EEC), with the final text being published in May. This will be the start of a three year transition period for manufacturers to meet the new requirements, paving the way for implementation of Scan4Safety across Europe.</p> <p>James Cheek, BIVDA asked about the robustness and clarity of the input data sets and whether they are standardised across the markets as this had presented a cost and time issue for many suppliers due to the proliferation of requirements across markets. Phil confirmed that core attributes will be standardised in line with FDA and UDI system requirements to reduce the need for localised requirements in order to minimise the burden on the suppliers.</p> <p>Scan4Safety is still not a national programme as only the six pilot trusts have implemented it and not all have fully integrated barcoding throughout their supply chains. A business case has been submitted to obtain extra funding for a further 25 trusts, but the political environment may cause a delay in obtaining sign-off.</p> <p>In demonstrator sites, there is a push up to suppliers to become compliant within a timeline to end 2020. Finance directors within demonstrator sites are putting pressure on suppliers to comply sooner.</p>

	<p>Edmund Profitt, BDIA asked about the uptake of GS1 by SMEs against timelines and adoption rates. Phil Bailey, GS1, referenced early resistance from SMEs and the additional support that they need, particularly when they have a limited product range. Their timelines may be extended compared to global organisations, but with support SMEs can achieve a good level of compliance with minimal change to existing barcoding practice.</p> <p>GS1 is seeing increased uptake from Ambulance, Mental Health and Community trusts who are seeking to incorporate end to end product and patient tracking in their five year strategies. This is despite funding only being available for acute trusts at the moment. The meeting asked Phil how much work is still needed to be done by Trade Associations to get their members to sign up to GS1. Phil replied that the Trade Associations should make their members aware that there will be a need to comply and to explore where they could adopt quick win situations.</p> <p>James Cheek, BIVDA referenced the challenge that some of their members who are distributors rather than manufacturers and have little influence up the supply chain on how their suppliers label their packaging. GS1 is aware that distribution networks increase the complexity and proliferation of bar codes and recognise difficulties in imposing requirements upstream, but when sales are jeopardised, the suppliers will act.</p> <p>The GS1 demonstrator Trusts are running regional supplier days to get suppliers in to understand their requirements on suppliers. Guidelines are also being produced by the DH to support suppliers. GS1 urged Trade Associations to make sure their members are part of the DH workspace. They can gain access themselves to ensure they are always accessing the most up-to-date versions. There is also the opportunity to take part in online discussions between peers and ask questions to the Department of Health.</p> <p>A supplier can access the DH eXchange by sending a quick email to the Department of Health at eProcurement@dh.gsi.gov.uk and simply asking for access to DH eXchange.</p>
<p>19/04/8</p> <p>8.1</p>	<p>NHS England High Cost Tariff Excluded Devices Programme – Mark Hart, NHS Supply Chain</p> <p>Mark Hart gave a presentation about Phase 2 of the NHS England HCTED programme update.</p> <p>NHS England has appointed 41 leading clinicians to support and advise it on the direct commissioning of specialised services. These clinical experts and practitioners in their specialist fields have been appointed as Chairs of NHS England’s Clinical Reference Groups (CRGs) to help identify and develop new treatments, services and standards across specialised commissioning, and ensure best value is achieved within the resources available. The Chair will guide the policy development work of their respective CRGs, the other members of which will include:</p> <ul style="list-style-type: none"> • Eight regional clinical (doctor, nurse or AHP) members (two from each region); • Three patient and public voice (PPV) representatives • Up to four members nominated by relevant affiliated organisations <p>The specialised services commissioned by NHS England are grouped into six National Programmes of Care (NPoC), each of which is then supported by CRGs focussing on specific clinical specialties. CRGs and their members lead the development of:</p> <ul style="list-style-type: none"> • Clinical commissioning policy • Service specifications and quality dashboards

	<ul style="list-style-type: none"> • Advise on service reviews (what is done where and how) • Horizon-scan and advice on innovation • Identify opportunities to reduce clinical variation and deliver value. <p><u>Industry engagement approach</u> A workshop will be held on May 3rd led by James Palmer and Vaughan Lewis from NHS England, with the 5 primary volume suppliers (identified by NHS £ spend), to discuss the draft 'methods document' which describes NHS England's proposed approach to the clinical engagement required for phase 2. Mark Hart to confirm who will be attending. Action: Mark Hart</p>
19/04/9 9.1	<p>NHS Improvement Carter Programme – Ian White, NHSi, Mat Oram, Advise Inc</p> <p>Ian White gave a verbal update on the various Carter workstreams that are being progressed including Model Hospital and GIRFT.</p> <p>Trust procurement metrics are to be published in May by the NHS Digital via MyNHS, highlighting where procurement best practice and data management is exhibited.</p> <p>GIRFT programme is being expanded and will give a wider view of total patient pathway spend to ensure investment is made in the right place.</p> <p>NPF has been established and the structure shared with members in the pre-read pack.</p> <p>NCP workplan is being supported by the NPF with Andy McMinn as NHSi's appointed lead. Couch rolls was the first to launch and NHS SC has seen volume growth through their route Blunt Fill Drawing up devices will be launched on 24th April and will deliver £1.1m cash releasing savings to the NHS Syringes (luer slip), the ITMC has been published.</p> <p>PPIB presentation PO data is being taken Monthly from trusts – originally from 136 trusts as carter cohort – now includes additional trusts including all NHS Wales.</p> <p>It is recognised that there issues with data quality within trusts – NHSi are working with trusts to improve data quality, highlighted by PPIB.</p> <p>Product code improvements – there is an advisory service to improve flow of information back to suppliers.</p> <p>Questions were posed by ABHI about how the PPIB tool and data will be used Ian White explained that GIRFT is an example of where information held in PPIB is used in conjunction with the information knowledge from a clinician in order to get an all-encompassing view of value – rather than cheapest price.</p> <p>NHSi is using PPIB as a reference tool to impact on trust and trusts are already using it as a price checking tool to inform cost improvement programme planning.</p> <p>Members asked for a demonstration of how PPIB can be used to the benefit of suppliers at the next meeting Action: Matt Oram</p>

19/04/10	NHS Customer Board update - Mick Guymer, NHS Northern Customer Board
10.1	Mick gave members a summary of the origins of Customer Board – Sir Ian Carruthers took over the Customer Boards and redesigned them to ensure they had clear objectives and purpose that would be for the benefit of the NHS, Representing the voice of the NHS, and how best to deliver benefits to patients
19/04/11	NHS Future Operating Model
11.1	<p>EY have been appointed to assist in the development of the ICC which is now being set up in shadow form.</p> <p>The contract for office solution (category tower 9) has now been signed by CCS and a six month transition period will begin.</p> <p>6 medical category towers PQQ phase has been completed. The ITT has been issued and submissions are due by mid-May. Contract award will be in September with a six month implementation stage for go live in February 2018.</p> <p>Four towers non-medical and Capital are at PQQ stage with contract award due in December and go live in June 2018.</p> <p>FOM has implications for all stakeholders. DH is happy to meet with all members and organisations to discuss and explain the FOM.</p> <p>The meeting sought clarification on timelines of the FOM process. Action: Chris Holmes</p>
19/04/12	Any Other Business
12.1	<p>Membership of board trade associations is due for a refresh. Louise Hillcoat will send all members the list of their members that is currently held on record and ask for corrections. Action: Louise Hillcoat/Catherine Barker</p> <p>FOM – the meeting called for clearer visibility of how suppliers sit within the category towers and which associations oversee to structure the board going forward. Action: Chris Holmes</p> <p>Due to the increased numbers attending the Supplier Board, a core members list will be produced and shared with member associations. Members are reminded that there is a clear delegation policy and a requirement to notify the chair of duplicate representation or replacement attendees. A copy of this will be sent to members. Action: Louise Hillcoat</p>
19/04/13	Items for next meeting
13.1	<p>PPIB</p> <ul style="list-style-type: none"> • Invite Ben Shaw to discuss from a trust perspective • Run an anonymised presentation of the PPIB tool from a supplier perspective <p>Strategies – a summary update on the implementation of the policy to remove commitment discounts and bespoke pricing</p>

	<p>Credentialing – propose to invite Janet Monkman, The Academy Team– and Sue Hill at NHS England (via Tracy Lloyd)</p> <p>FOM – visibility of what the ICC looks like and what success looks like in the new world</p> <p>GS1 – invite a representative of a trust demonstrator site perhaps James Mayne at Derby</p> <p>Date of next meeting: 13th September 2017 Venue: TBC, London</p>
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