



NHS Southern Customer Board Meeting

Summary Report

7th June 2017

Present:		
Board Members:		
	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
	Mark Gronow	Director of Procurement, Peninsula Purchasing and Supply Alliance
	Darren Proctor	Head Of Procurement, Northern Devon Healthcare NHS Trust
	Mark Slaney	Head of Procurement and Logistics, (Acute Services) Torbay and South Devon NHS Foundation Trust
	Richard Ward	Procurement Transformation Lead, Royal United Hospital Bath NHS Foundation Trust
Apologies:		
	Chris Adcock	Director of Finance, Portsmouth Hospitals NHS Trust
	Sarah Brampton	Director of Finance, Devon Partnership NHS Trust
	Malcolm Cassells	Director of Finance and Procurement, Salisbury NHS Foundation Trust
	Naomi Chapman	Clinical Evaluation Team
	Greg Dix	Director of Nursing, Plymouth Hospitals NHS Trust
	Jane Harrison	Acting Procurement Director, NHS Commercial Solutions
	Alan Hoskins	Director of Procurement and Commercial Services, NHS South of England Procurement Services
	Stephen Orpin	Director of Finance, Maidstone & Tunbridge Wells NHS 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
	David Robertson	Business Director South, NHS Improvement
	Clive Tracey	Assistant Director Commercial Services, Kent Community Health NHS Foundation Trust
	Steve Vandyken	Director of Procurement and Supply Chain, University Hospital Southampton NHS Foundation Trust
In attendance		
	Mark Brian	Head of Account Management Capital, NHS Supply Chain
	Alyson Brett	Chief Executive, NHS Commercial Solutions
	Andy Harris	Procurement Delivery Manager – Clinical Supplier Management, NHSBSA
	Justine Henson	Engagement & Communication Lead, Commercial Division - Procurement Transformation Programme, Department of Health
	Steve Milliner	Commercial Manager – Engagement Communications and Business Change, DH
	Jane Platts	Business Delivery Manager Health, Crown Commercial Service
	Clemmie Smith	Crown Commercial Service
	Darren Williams	Regional Account Manager, South, NHS Supply Chain
	Ian White	Programme Lead – Carter Procurement Transactions and Sustainable Solutions Director, NHS Improvement
Customer Board Exec:		
	Marie Aubin	Stakeholder Manager, NHSBSA
	Catherine Barker	Stakeholder Co-ordinator, NHSBSA

Part 1

07/06/1 Welcome and Introductions

- 1.0 The Chair gave a brief introduction and explained his role as Interim Chair, introductions around the table were made. The Chair explained that he would be reviewing membership to ensure it was balanced between finance and procurement and gave good coverage of the region.

07/06/2 Declaration of Interest

- 2.0 The Chair asked for all in attendance to complete the Conflict of Interest document.

07/06/3 Confidentiality

- 3.0 The Chair discussed the issues around confidentiality. There was a clear view that transparency is important.

07/06/4 Minutes from 2nd March 2017

- 4.0 All were in agreement that the minutes were a true and accurate record of the meeting.

07/06/5 Action Report

- 5.0 The Chair noted that most actions were either complete or would be covered during the agenda.
- 5.1 Ian White gave an update on his outstanding actions. A number of engagement events have taken place now and recruitment is underway for four regional heads of procurement, interviews have now taken place and appointments should be made within the next few weeks. It was confirmed that Ian White would be moving back to his previous role following secondment to the Carter role.
- 5.2 Action 02/03/11.0 With regards to PTP plans, 112 of the 136 have now been received. The regional heads of procurement will be reviewing these and feeding back. The metrics have now been collated from all the PTPs received and have been used for testing of the model hospital portal metrics. About 45 trusts are submitting their metrics on a monthly basis, this needs to go up to the full 136. The procurement portal is due to go live the first week in July, all 3000 people with log in details will be able to view the data whether they have submitted data or not. Question was raised over whether data was being submitted in the way requested. It was confirmed that this is not always the case and some trusts are interpreting the request based on what they have available. The view was to publish and then address the variation. The initial launch will be called testing phase with advice and guidance on how it should be used for further development.
- 5.3 Ian White agreed to create a list of who had submitted what and send it through to Marie Aubin to share with members.

07/06/6 Update from the National Customer Board meeting 4th April 2017

- 6.0 The Chair drew members' attention to the paper in the pack which summarised the key messages from the National Meeting on the 4th April 2017.

07/06/7 Review of Objectives and Workplan for the Southern region

7.0 Objective 1 - NHS Supply Chain

Darren Williams gave an overview of the Southern Board's performance noting that NHS Supply Chain savings are at £233m to end of May 2017, and are still on target for hitting the £300m savings. The market remains challenging in terms of suppliers requests for price increases, notably gloves and pulp. The region is performing in line with National expectation at around 4.5%. Darren drew member's attention to the Compare and Save figure, noting that trusts need to ensure they have process' in place to review and implement these opportunities and that these figures give an indication of how well trusts are engaging with the National Provider.

- 7.1 There has been good uptake from the region on Core List and now NCP, all trusts have taken up Couch Rolls and there are only four trusts who have not taken up Blunt Fill, as they are using up existing bulk stock, the indication is that there will be 100% uptake shortly.
- 7.2 Increasing volume is slower in the South, this could partly be to do with the neutral wholesale activity in the region. Work is being done to understand and address this. There is activity with other third party suppliers such as Bunzl which is being investigated to ensure that this is driving value. Work has been done with two trusts using this route and significant savings have been identified if their volume was moved through NHS Supply Chain.

- 7.3 Andy Harris raised that any trusts with third party arrangements needs to consider what impact will be had on this when the FOM is introduced and ensure that they have the ability to exit any commercial arrangements.
- 7.4 NHS Supply Chain's customer satisfaction scores are positive, there are still a number of improvements being made such as informed ordering with real time stock availability.
- 7.9 The importance of product evaluation groups and clinical teams were discussed, NHS Supply Chain through the account management teams are now mapping this
- 7.10 Members attention was drawn to the NCP update, Couch Rolls and Blunt Fill has launched, Exam Gloves and Pulp are the next two to launch, in September. It is anticipated that despite the challenging market some savings should still be achieved.
- 7.11 NHS Supply Chain had created an Engagement paper following an action at the last board meeting. Attention was drawn to prompt settlement discount and that some trusts are not signed up to receiving theirs. It was agreed that the list of trusts who have not signed up to prompt settlement discounts would be shared with NHSI. A request was made that members share the engagement checklist with their peers and ask that they consider all the opportunities to ensure they are maximising their opportunities.
- 7.12 Mark Brian provided an update on NHS Supply Chain's Capital offer. An overview of the figures provided in the pack was given, based on 2016 figures. The objective is to get trusts to plan better with NHS Supply Chain in order to drive further savings through aggregation. In general the South is doing better than the National average. It was agreed that Mark would share more comprehensive data going forwards.
- 7.13 Request was made for a breakdown of spend by trust and top modality areas to identify any missed opportunities for aggregation. It was further agreed that Capital be added into the engagement heat map to show which trusts have shared Capital plans. Attention was drawn to the forthcoming Capital Workshops. Members requested that the agenda for the workshops and who attends be shared.
- 7.14 It was noted that trusts who have a higher level of unplanned spend generally are not sharing their capital plans. It was agreed that status of capital plans, ie: not willing to share or don't have one should also be added into the heat map.

07/06/8 Objective 2 - Crown Commercial Service.

- 8.1 The engagement plan going forwards with the south is through PPSA and Commercial Solutions and where possible individual trusts. It was confirmed that CCS has a long standing MOU with Commercial Solutions which is being re-invigorated. This should also help with the flow of data.
- 8.2 A brief overview of the CCS transparency statement was provided. Question was raised over the deficit, the primary focus is to drive more spend through CCS to mitigate the deficit rather than increasing the levy. Additional to this there is spend which is not being reported by suppliers which needs to be included, there are also new products being introduced which will contribute to this.
- 8.3 Jane Platts introduced Clemmie Smith, Head of Workforce at CCS. The National Board showed an interest in finding out more about what CCS is doing in the Workforce area. CCS has resource split into Health and Central Government. There are agreements in three areas; Clinical, Non-clinical and Workforce Management. All CCS agreements are NHSI approved and have the price caps built in.
- 8.4 A number of new initiatives are being worked on collaboratively and with individual trusts. Gap analysis on spend is being done, there is a view that around 40% spend is not being reported. There is currently a piece of work being done with LPP to make sure that trusts are using the agreements and tackling pricing escalations. It was re-enforced that CCS has the resource to engage with trusts to help identify areas where CCS can help trusts drive savings and compliance.
- 8.5 CCS is developing their workforce solutions, looking at things like how can CCS help trusts work more collaboratively, such as shared banks. CCS is keen to engage with trusts to understand what is needed in the future so that agreements can be shaped to meet them in the future.
- 8.6 With regards to the 40% spend not reported, question was raised on what support is needed to assist with this; data is needed to understand the gap on what is not being declared and which

suppliers. Question was raised over whether NHSI could provide this data to reduce the burden on trusts. Data will help CCS target the resource in the right area.

07/06/9 Objective 3 - Increase connectivity to and engagement with customers across regions

- 9.0 National Procurement Forum
Ian White provided the following update. The aim is that one person from each STP attend. In some STPs there is a good network where they decide who is attending and information is shared. This is not happening in all areas, but should be best practice. The agenda at the meetings is a responsive agenda based on key priorities. Collaborative organisations now have access to the PPIB and invites to the NPF are being extended to them. The eight workstreams continue to be developed.
- 9.2 Brief discussion was had on development of a Procurement Academy, Alan Hoskins and Ian White are discussing how this can be done and how it links with the PSDN network. There was acknowledgement that there is a general skills gap in procurement, basic CIPs training is often not offered within trusts, and very little leadership skills training is offered, there are also discrepancies on packages being offered by trusts which also leads to retention problems..
- 9.3 Collaborative Contributions
Mark Gronow provided an update on the work with CCS, data is being analysed on areas for joint working. The big area for consideration is Microsoft Licencing, CCS are following this up with NHS Digital, it was agreed that this is a big area of spend and risk. Other key areas which are being looked at are; Energy, Agency and Fleet.
- 9.4 Alyson Brett provided update that a meeting had now been scheduled with NHS Supply Chain. The FOM team provided an update at the Commercial Solutions Procurement Forum – discussions are on-going on this.

07/06/10 Objective 4 - Facilitate, support and input to national solutions

- 10.0 Trusted Customer update
Andy Harris provided an update on the programme. Further events will be held in order to get the message out to all HoPs. Category updates will be given on an on-going basis. At the Midlands event there is a plan that CCS and the Trusted Customer, Allan Rivans from Northampton will provide joint update. Nominations have been requested for sites to fill the gaps in the programme. Request was made of Richard Ward to represent as an STP, there are also gaps in the South East which are being discussed with NHS Commercial Solutions to find a willing volunteer.

07/06/11 Objective 5 - Increase compliance

- 11.0 Ian White is developing a data set which includes the following:
- Who signed up to NCP
 - Who submitted PTP plans
 - Initial metric scores
 - Savings target this year and last year
 - Where they sit in league table procurement efficiency and price performance
- Ian White agreed to share this for circulation.
- 11.1 Discussion moved on to the variation in approach of STP in tackling procurement. NHSI has started to collect case studies and have produced some models of collaboration. Ian White agreed to speak to Sarah Crick at HFMA and share the slides from their event.
- 11.2 From a South West perspective there has been discussion on back office efficiencies, there was a feeling that this is being done prematurely before defining what good looks like. Richard Ward shared that in his STP it was more about looking at using the workforce differently not reducing numbers. They now have their business case and terms of reference signed off with workplan in train.

07/06/12 Realignment of objectives and workplan for the region

- 12.0 The Chair gave a brief introduction of need to re-fresh the priorities and areas which the board may wish to consider. The floor was then opened to discussion.
- 12.1 Communications was raised on how the broader health economy be engaged in discussion/actions from the board and having named owners responsible for this. All were in agreement that the priorities need to ensure that transparency continues. Members also noted that the current membership may need to be refreshed to be meet the changing landscape.

- 12.3 The heat map which was discussed earlier would link into priority two showing where focus needs to be made. Each meeting could review who needs to be engaged with and why, progress to be monitored.
- 12.4 With regards to priority three, the procurement profile needs to be raised and developed.
- 12.5 Question was raised over 2.f and the use of CCS, it was clarified that in the move to a National Provider, spend needs to be channelled this way to start with a view to moving towards the FOM. Use of Crown Commercial Service frameworks and service should be promoted where they provide the best value and where they are not best value then this should be fed back to allow improvements to be made.
- 12.6 With regards to point 3, Developing the Procurement Function, members made comment that the following should be worked in:
- 3b. Assess what PSD is focussed on regionally and link Finance skills with procurement skills
 - Include re-profiling procurement
 - Include discussion on how to get procurement to board level linked to NHS Standards (business partnering, approach and recognition)
- 12.7 The Chair summarised key points:
- Heat map to monitor and help organisations progress
 - How initiatives such as model hospital and benchmarking are translated into practical tools
 - PSDN accreditation reviews
 - Develop teams and skills and re-profile procurement leadership, working with CEOs and Finance on this
 - Monitoring and implementing PTP plans – working with regional HoP from NHSI:
 - Coaching/mentoring
 - holding to account
 - connecting people with skills
 - sharing best practice across the system
 - Understanding STPs and sharing best practice, offering peer consulting
 - Clinical engagement and change management
 - Reduce duplication – example of Scan4Safety was given
 - Members and trusts being held to account to effect change
 - Sharing best practice

07/06/13 AOB

- 13.0 Ian White updated that NHSI had written out to trusts asking what their plans are, actual and target figures. To date he has only received 56, but believes that if all trusts provide them it will be a positive picture.
- 13.1 Key Messages from the meeting:
- Continue to be transparent with the data within the confines of confidentiality
 - Good progress against targets particularly Core List and NCP
 - Engagement with STP needs to be monitored and developed
 - Skills gap in procurement is a big issue – what does a future model look like for teams
 - Savings targets and progress against them need to be reviewed as a matter of course
 - Microsoft Licencing and the link with NHS Digital

Part 2

Justine Henson and Steve Milliner from the DH provided an update on the FOM. It was agreed to take the same approach as with the Midlands to build visibility of which trusts have been engaged with the FOM team and when. This will be built into the heat map. The Towers were re-confirmed, it was agreed the slide would be re-circulated.