



Department  
of Health

Procurement Transformation Programme



## News about the **Future Operating Model** for NHS Supply Chain

No.7: 21 August 2017

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*The Future Operating Model for NHS Supply Chain will flex the tremendous buying power of the NHS saving over £600m annually – a major contribution to healthcare efficiency.*

By collaborating with suppliers and leveraging the NHS's purchasing power on a national scale the Future Operating Model will be able to deliver better value for money for the NHS and the taxpayer.

The Future Operating Model is organised into eleven Category Towers, covering medical, capital and non-medical areas of the procurement spend. The FOM will be supported a new performance management and customer engagement function, the Intelligent Client Coordinator (ICC), and by a new logistics and IT infrastructure.

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The first of the Category Towers to go live will be the Office Solutions Category Tower, covering areas such as office equipment and stationery. The contract has been awarded to Crown Commercial Service (CCS), a publicly owned organisation that specialises in providing commercial services to the public sector and saving money for the taxpayer. The new Office Solutions service will be up and running by the autumn of 2017.

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### News from the Phases

#### Phase 0 – ICC Build

#### Achievements and progress

- We held a Customer Engagement transition session with NHS Supply Chain to review activities to transition to ICC.
- Customer process for Phase 1+ and ICC go live activities have been identified and are now with the Process Team to build

## **Going forwards**

- We continue to build ICC resources specifically in Product Assurance and Supply Chain
  - We are developing the 'Customer Journey' document
  - We will be holding a workshop on Phase 1+ deliverables with BSA to agree next steps and ownership
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## **Phase 1 - Category Tower 9 (Office Solutions)**

### **Achievements and progress**

- We have completed the second round of 4G (backup solution) connectivity testing.
  - We engaged with CCS on-site to perform functional testing.
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## **Phase 1+ - Category Towers 1-6 (Medical)**

### **Achievements and progress**

- The Economic Case and Accelerated Model has been developed and submitted to DHIA.
  - The FBC has been approved by the BSA Board.
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## **Phase 2 – Category Towers 7, 8, 10, 11 (Non-Medical)**

### **Achievements and progress**

- We have closed out 149 supplier clarification questions

### **Going forwards**

- We will be completing Evaluator training.
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## **Phase 3 - Supporting Technologies & Transactional Services**

### **Achievements and progress**

- We were handling bidder-led clarifications last week.

### **Going forwards**

- We are carrying out an Impact Assessment to reduce transition time.
  - Engagement with Process Designers is ongoing.
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## Phase 4 – Logistics

### Achievements and progress

- Our focus is on getting everything ready for the issuance of the OJEU

### Going forwards

- We are working on getting HMT and CO approval
  - We will be completing the data-room data set and legal review
  - We will be sending out invitations to join our Evaluation team
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## Communications

### Achievements and progress

- We have been progressing well with the communications plan for Office Solutions.
- We have updated our handling of the Q&A process
- The Phase 1 change impact assessment and plan has been issued for review to key Phase 1 stakeholders

### Going forwards

- Phase 1 change readiness assessments for customers, BSA and NHS Supply Chain are in development.
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## Scan4Safety

### Setting the Standard – news and views from Scan4Safety

The Secretary of State visited Plymouth and Cornwall Trusts. At Plymouth, the Medical Director made an unprompted reference to Scan4Safety in relation to the prevention of never events, while at Cornwall the Nursing Director raised Scan4Safety as a major factor in improving patient safety – both are good indications of the positive impact the programme is having.

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### In the news...

*Improving procurement processes helps deliver a worthy NHS service* (references Carter Report)

<http://www.itproportal.com/features/improving-procurement-processes-helps-deliver-a-worthy-nhs-service/>

Source: ITProPortal, 15/08/17

*The Future of NHS Procurement? Look into your Procurement Strategy, not a crystal ball*

<https://www.linkedin.com/pulse/future-nhs-procurement-look-your-strategy-crystal-health-care>

Source: Health Care Supply Association (HCSA) via LinkedIn, 16/08/2017

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## Jargon buster

BSA	NHS Business Services Authority
CCS	Crown Commercial Service
CET	NHS Clinical Evaluation Team
CPP, NHS CPP	NHS Collaborative Procurement Partnership
FBC	Full Business Case
FOM	Future Operating Model
GLD	Government Legal Department
HOP	Head of Procurement
ICC	Intelligent Client Coordinator
IOM	Interim Operating Model
IPA	Infrastructure & Projects Authority
NCP	Nationally Contracted Products
NHSI	NHS Improvement
NHSSC	NHS Supply Chain
OBC	Outline Business Case
OJEU	Official Journal of the European Union
PPIB	Purchase Price Index and Benchmark
PTP	Procurement Transformation Programme
ZCIT	Zero Cost Innovation Tariff

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***The Future Operating Model...***



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