NHS
Business Services Authority

Meeting Report
NHS Southern Customer Board Meeting for Procurement & Supply
15th November 2017 10.30am – 2.45pm
Thistle Kensington Gardens, 104 Bayswater Road, London, W2 3HL

Present:		
Board Members:		
	Nick Gerrard	Chair of the NHS Southern Customer Board
	Louise Brereton	Head of Procurement and Logistics, Dorset County Hospital NHS Foundation Trust
	Jim Forsyth	Head of Procurement, Buckinghamshire Healthcare NHS Trust
	Alex Gild	Director of Finance, Performance and Information, Berkshire Healthcare NHS Foundation Trust
	Mark Gronow	Director of Procurement, Peninsula Purchasing and Supply Alliance
	Jane Harrison	Procurement Director, NHS Commercial Solutions
	Alan Hoskins	Director of Procurement and Commercial Services, NHS South of England Procurement Services
	Vanessa Jinks	Associate Director of Procurement, Frimley Health NHS Foundation Trust
	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
	Dan Small	Head of Procurement, Medway NHS Foundation Trust
Apologies:		
	Naomi Chapman	Clinical Evaluation Team
	Sarah Charman	Associate Director of Strategic Procurement, East Kent Hospitals University NHs Foundation Trust
	Greg Dix	Director of Nursing, Plymouth Hospitals NHS Trust
	Gordon Flack	Director of Finance, Kent Community Health NHS Foundation Trust
	Rachael Maughan	Head of Procurement, Gloucestershire Shared Service for NHS
	Mike Pearce	Head of Procurement, South Western Ambulance Service NHS Foundation Trust
	Stephen Orpin	Director of Finance, Maidstone & Tunbridge Wells NHS Trust
	Steve Vandyken	Director of Procurement and Supply Chain, University Hospital Southampton NHS Foundation Trust
	Richard Ward	Procurement Transformation Lead, Royal United Hospital Bath NHS Foundation Trust
In attendance		
	Preeya Bailee	Associate Director of Procurement, Maidstone and Tunbridge Wells NHS Trust (on behalf of Steve Orpin)
	Mark Brian	Head of Account Management Capital, NHS Supply Chain
	Simon Hall	Clinical Specialist Lead, NHS Clinical Evaluation Team
	Andy Harris	Procurement Delivery Manager – Clinical Supplier Management, NHSBSA
	Justine Henson	Engagement & Communication Lead, Commercial Division - Procurement Transformation Programme, Department of Health
	Juliette New	GS1 (PM only)
	Steve Milliner	Head of Trust Engagement, NHS Procurement Transformation Programme DH
	Jane Platts	Business Delivery Manager Health, Crown Commercial Service
	John Warrington	NHSI GIRFT Team (PM only)
	Darren Williams	Head of Customer Engagement - South
Customer Board Exec:		
	Marie Aubin	Stakeholder Manager, NHSBSA
	Debbie Pacey	Stakeholder Co-ordinator, NHSBSA

15/11/1 Welcome and Introductions

1.0 The Chair welcomed everyone to the meeting; brief introductions were made around the table, with particular note to new members or those in attendance for the first time.

15/11/2 Minutes from 31st August 2017

2.0 All were in agreement that the minutes were a true and accurate record and that they could now be circulated. Mark Gronow noted that not all HoPs in the region receive them and that he would pass on the names of those so the circulation list could be reviewed.

15/11/3 Action Report

3.0 The Chair noted that the majority of actions were either complete or would be covered during the agenda. However, the following were noted:

Action 5.5 With regards to engaging Medical Directors further in the programme – the Chair confirmed that this discussion would be picked up later following the discussion in GIRFT.

3.1 Members' attention was drawn to the membership map and asked for observations, particularly noting that further finance representation would be beneficial from South Central and South West. It was suggested that Dean Stevens, Director of Finance at Yeovil District Hospital NHS Foundation Trust be contacted and that the Chair would write out to DoFs in the South West and South Central. Alan Hoskins confirmed he was representing a broad spectrum of trusts which may mean that other members don't always attend.

3.2 With regards to CPP now being a successful bidder for the Medical Category Towers it was raised that there may be a Conflict of Interest. Jane Harrison confirmed that CPP was being set up as a separate Limited Company independent to Commercial Solutions who she represents at the Board. The Chair suggested that whilst there may be no direct conflict of interest, the declaration should be updated.

15/11/4 Update from the National Customer Board meeting 22nd September and 8th November 2017

4.0 The Chair drew members' attention to the paper in the pack which summarised the key messages from the National Meeting on 22nd September 2017. He went on to share some of the key themes from the meeting on 8th November. Update was given that NHSI is not seeing engaging with STPs as a priority; however work should still be done locally. Metrics were discussed with concern around mitigating duplication where things are being reported elsewhere. The FOM announcement was made regarding the medical category towers and members confirmed they were all familiar with the content of this. Question was raised over the collaboration between DHL and the American GPO for the Cardiology category which would be set up as a separate company. The DH confirmed that they could provide further information on the American GPO should members wish. Question was raised over whether there would be representation from all Tower providers going forwards, it was confirmed that the structure and governance around the Customer Boards is being reviewed.

4.1 Discussion moved on to the practicalities of moving contracts from one provider to another as the FOM comes into place. The guidance from the DH was that if trusts are re-negotiating contracts pre-FOM then they need to ensure they have break clauses in so they can move across to the FOM provider. A request for wider communications around this being an issue was made so trusts know what they should be doing and who they should be having the conversations with to ensure they are FOM ready. The DH agreed that they would consider what could be done to give central guidance, particularly around a standard break clause.

4.2 Update from the Shelford Group meeting was that the perception that the 90 day break clause would be viewed negatively by suppliers, in reality this is not the case as since the NHS Supply Chain contract extension this has not been the case.

4.3 The Chair questioned if the Board should receive an update on the work of the Shelford Group, further consideration would be given to this.

4.4 Other areas of discussion included:

- The structure and future of CRB,CET and CAPA
- GIRFT
- Credentialing - a single not for profit organisation was being established. Alan Hoskins confirmed he has been asked to work with them on this development
- Excellence in Supply Awards, an initiative in the Northern Region, recognising the procurement function and local suppliers, once further discussion has been had on this nationally it will be brought back to the local boards.

15/11/5 Review Draft National metrics and Review and Agree Workplan

5.0 The Chair asked for contributions to the work plan and comment. With regards to measuring attendance at key meetings it was discussed how the PPSA and Commercial Solutions HoP forums can be used. Jane Harrison explained that she would provide update on how this could be achieved in the South Central region later. Andy Harris raised that consistency was key to ensure the same message is being shared. Once in post in his new role, Mark Gronow said he would work on mapping this out, noting that consideration would be given to other draws on HoP pressures. It was further noted and agreed that the structure was being reviewed nationally. It was agreed that this should be discussed again at the next meeting.

5.1 Other points of note were:

- Challenge was raised over trusts being asked for similar, yet slightly different data from multiple places e.g. NHSI, PSD etc. and the inconsistency and duplication this can create.
- With regards to measuring vacancies there was a view that this should not be measured, the original rationale for this was to provide support for those trusts who were struggling to fill vacancies.
- Board leads for the workplan should be held until the national mapping of groups had been carried out.
- Scan4Safety – It was noted that the GS1 website has some information on case studies and latest updates on savings and efficiencies. The Chair requested that all members should provide update from their trusts or sub region at the next meeting along with an update from the Pilot sites.
- With regards to STP level data, the Board was happy with the data already being provided. Darren Williams shared that NHS Supply Chain has STP level data and that going forward it may be beneficial for this to be shared on a sub board level where STPs are working on similar items.
- It was confirmed that agreement was made at the National Board that the Performance measure of % CIP savings would be provided from NHSI as an inform but not RAG rated as the role of the Board is not to performance manage.
- In terms of prompt settlement discounts from NHS Supply Chain it was noted that the measure of this as a number may not be that useful given some of the reasons why it is not accessed by trusts and further commentary around it is needed. It was confirmed that once the top slice on the FOM comes in prompt settlement discount will be removed and therefore the board should not monitor it.

5.2 The Chair summarised that at present there is a fluid approach to the metrics with a number of agencies working through how best to share these.

15/11/6 Performance

NHS Supply Chain Update

6.0 Darren Williams provided update that NHS Supply Chain's savings figure at the end of September was £255.4m, ahead of the contractual target to reach the £300m savings target by the end of September 2018. The South is performing well, particularly on NCP; however there are a number of points which could make this position look slightly different such as the price of Nitrile Gloves and HCTED data.

6.1 Customer Satisfaction has maintained an upward trend and the NPS score is at a high of 32. A number of service improvements are being worked on by NHS Supply Chain which is helping to facilitate the improved satisfaction, including informed ordering, which provides messages on whether products are in/out of stock. A new feature on this is 'email me' and when products come back into stock they receive an email notifying them of stock ins.

6.2 The performance of trusts was caveated by the fact that they are taken at a snapshot in time and that factors such as supplier rebates etc. could have an impact. However, there is a correlation between those trusts making cost savings and those working well with NHS Supply Chain.

6.3 Challenge was raised over the STP mapping, Dartford has their procurement done by GSST yet they are part of Kent and Medway STP. The Chair confirmed that they should be recorded as part of Kent and Medway. Marie Aubin would pick up further discussion on this with Darren Williams.

6.4 Question was raised over the reporting of the worst performing trusts and whether more detail could be provided as there could be good reason why trusts would appear in this section. It was agreed that further clarification would be sought on how the data is collated and assessed. The wording of this section would also be revisited.

6.5 Discussion moved on to trust specific NHS Supply Chain savings and Preeya Bailee from Maidstone and Tunbridge Wells NHS Trust updated that any savings that were historically being realised through NHS Supply Chain are now being wiped out through cost pressures which is forcing the trust to look at what can be done short term and more locally to deliver the CIPs target. However, it was noted that trusts need to work together for the benefit of the wider NHS and not always focus on short term local deals. Request was made that where trusts are able to make better deals locally they need to share this centrally as suppliers continue to try and fragment the market.

6.6 It was confirmed that savings reported by NHS Supply Chain are NET to offset any cost pressures. Additional to this some of the cost pressures may be on specific products where there are cheaper alternatives on the contract that have been identified as being clinically acceptable alternatives but require a change in product by the trust to realise the savings

NHSI Update

6.7 The Chair drew members' attention to the NHSI heatmap and asked for any comments. Update was provided by Darren Williams on the NCP programme. Toilet Tissue will be going live on the 8th January 2018 with anticipated 13% savings, Temporary Shoes will realise an anticipated 68% saving and will go live at the end of January. Assurance of supply for Latex and Vinyl Gloves has now been made as part of NCP. There are a number of sole supply contracts which will now be brought under the NCP banner. Assurance of supply for these products has now been secured and trusts using these products will see no difference. Trusts that do not currently use these products will be engaged in conversation through the NHS Supply Chain account management team to enable them to make the switch and realise the savings.

6.8 It was noted that for the HCTED programme there has been some good progress and some of the escalations listed in the paper have now been worked through. Generally in the South trusts are well engaged.

6.9 The Chair requested that any errors in the NHSI heatmap should be flagged back with NHSI and to show the instances where it is issues with how the data is being supplied. Members confirmed that they are receiving this data locally and it is being used.

NHS Supply Chain Capital Update

6.10 There is a revised internal agreed target of £250m for Capital since the contractual target of £158m has already been met. The existing levers for realising savings will continue to be worked as hard as possible.

6.11 In terms of MTA, things are happening a little later as NHS Supply Chain works to bring trusts together to deliver greater savings. The South is still lagging a little behind other regions in terms of submitting plans, from a South West perspective it was noted that this is due to challenges in getting plans signed off and accessing Capital funds.

6.12 Members' attention was drawn to the changes in the dashboard and future plans for NHS Supply Chain in terms of Point of Sale maintenance and changing the leasing framework into a financing framework.

6.13 Brief update was provided on the Capital savings groups, with the first one held in the South West on 14th November 2017. Darren Proctor provided update from a trust perspective and commented that there is an opportunity for STPs to work better together on maintenance. He confirmed that this is being raised as an opportunity with his STP to work as a pilot with NHS Supply Chain.

6.14 The Chair requested that a frequently asked questions document from the workshops be produced to provide a more comprehensive update.

15/11/7 People and Leadership

NPF – Mark Gronow

7.0 Confirmation was given that the four Regional Heads of Procurement for NHSI had been announced. A working group for PPIB has been set up and software developments are being worked on. NHSI has set up Pathology networks and an update was provided on this, there are 29 of these nationally some aligned to STP and some cross boundaries. There was a workshop on the next phase of NCP products. On-going discussion on how NCP fits into the Towers took place. NPF will be held quarterly next year.

Commercial Solutions – Jane Harrison

7.1 The Chair of the Commercial Solutions HoP board is happy to look at splitting the meeting between members and non-members to ensure that the region can be covered and that the forum can be used to cascade some of the messages from the Southern Customer Board more broadly. The existing forum is inclusive of all types of trust and this would be extended to the broader health economy. Further update would be provided on this and how it can be built into the re-design of the structure of the programme and how these sub-boards can support, particularly on communications and implementation of key national initiatives.

PPSA – Mark Gronow

7.2 It was noted that Cardiology and Ortho are the two biggest Towers to impact on the work of PPSA. When Mark moves to his new role in NHSI in January he will be replaced by a 12 month fixed term contract, interviews for which are taking place next week.

DH Procurement Workshop – Justine Henson

7.3 The Workshop was held on 31st October and the objective of the day was to look at what the FOM Procurement structure would look like from the perspective of a trust. The information from the slides and the outputs from the day will be shared with all trusts. The key components in terms of areas of focus were considered, which included the clinical element. Impact assessments based on the key components of the department were then carried out and those trusts that were there have been asked to complete their own action plan and impact analysis which will be assimilated into an example for each trust type. Once complete these will be shared out for feedback and for trusts to work on their own action plans. It was shared that some impacts were far less significant than anticipated, but what is needed is clear communications on the impact to other stakeholders. An example was given of the introduction of the top slicing and how this may be viewed by the Finance Director and the implications this would have if not managed and communicated effectively. Further to this it was noted that there is a view from senior leaders in NHSI that it will have a massive impact and the size of trust procurement teams will be reduced; the Board felt that this was not the case for trusts and the view needed to be managed effectively. Justine agreed to share the slides and all outputs from the day.

PSDN

7.4 In the SW six acutes and one CSU have been peer reviewed and accredited to Level one, two are pending and another six are due by the end of February 2018. The South East anticipates that between four and six will be ready shortly. In terms of South Central only one trust has been through assessment and is awaiting their results. All were in agreement that it is a very intense process which is vigorous and robust.

CCS – Jane Platts

7.5 Meetings have taken place with the Trusted Customer for Office Solutions and things are being progressed. In terms of workforce this is moving forwards with East Kent Hospitals University NHS Foundation Trust, the offer was extended again to other members to see if they would like to take advantage of a deep dive and analysis of their data. It was confirmed that Darren Proctor is working with CCS on the future strategy.

7.6 HSCN is a replacement for N3. NHS Digital will be attending the next meeting to provide further update. CCS is running aggregated procurement for the regions with NHS Digital and is encouraging members to engage in this. Query was raised over a communication that had come out post award regarding desktop delivery, Jane Platts agreed to take this back and seek clarification.

Trusted Customer – Andy Harris

7.7 Update was given on the programme referencing the paper in the pack. Recruitment is taking place for new members to the programme for Mental Health and Community. In terms of lessons learnt the Trusted Customer will be engaged after the category strategy has been agreed by the Tower provider. The non-acute trusts feel as though they have been marginalised through the current contract, Andy is working to ensure this is rectified in the go forwards position.

15/11/8 Process

STP

8.0 All were in agreement that progress is slow, procurement is keen to progress, but the system is not ready. The Chair requested that Richard Ward's update from Wiltshire be carried forwards to the January 2018 meeting. Alex Gild asked for feedback on what main areas other members were focusing on in their STPs and suggestion was made that it should be aligned to the big areas such as GIRFT, Enteral Feeds and Electrodes.

8.1 Question was raised around merging procurement teams, especially given the challenge of recruitment and retention; this is being considered in some areas. Suggestion was made that procurement leadership could be done at STP level, however to implement the change and engage with clinicians there needs to be people embedded in the trust to effect change. All were in agreement that procurement doesn't get much focus at STP board level.

15/11/9 Quality

Getting It Right First Time (GIRFT)

9.0 John Warrington joined the meeting to give and update on the Getting It Right First Time Programme (GIFRT). The programme started with Professor Tim Briggs around five years ago when he identified that there was huge clinical variation and that savings could be achieved through standardisation as well as improving outcomes. There are 24 clinical workstreams underway. The changes that are being implemented go from individual clinical practice, through to trust strategic improvements and recommendations to change national practice.

9.1 The methodology was to use clinicians to hold clinicians to account over their practice and this is the ethos preserved throughout the programme. The GIRFT methodology is as follows:

- Data assembly
- Deep dives
- Trust response
- National and regional focus
- Supporting sustainable improvements

9.2 Within NHSI they are setting up regional offices for NHS Productivity, there was discussion over whether GIFRT should fit into this. A decision has been taken that they will sit outside of this with its own structure of seven Regional Directors for the programme.

9.3 Globally there has been a coming together of clinical and financial data to see where analysis can be done on cost and outcome. It is really challenging in the NHS due to the fragmented landscape however, this is what the programme is trying to achieve.

9.4 A summary of the work done on Orthopaedics was given, what became apparent when Tim Briggs visited trusts doing his research was that often clinicians were not aware of the financial impact of the clinical decisions they made. Specific reference was made to the work done at Gloucestershire Hospitals NHS Foundation Trust. Based on what trusts are buying and using, the NJR can start to predict revision rates and outcomes. Following review of the data a number of recommendations can be given as it starts to demonstrate outliers on cost and outcome and variation from the national average, opportunities are then being provided back to STPs.

9.5 In summary the data for Ortho is available, clinical benchmark and standards are being established so that each trust can see their opportunity. Some of the opportunities can be delivered through peer pressure, but the majority through coordinated procurement activity. The challenge is how the landscape can deliver these opportunities. The GIRFT team is now assessing data sets for other specialities.

9.6 Challenge was raised over how it can be implemented if there is no mandating and whilst the GIRFT programme sits outside of the operational clinical productivity team in NHSI this will be difficult. The programme has provided the opportunity to build a stronger relationship between procurement and clinicians to deliver change. From a FOM perspective the Category Tower will act as an enabler for the programme and other similar programmes, discussions are already taking place between DH and NHSI.

9.7 The Chair asked for this to be a regular item on the agenda to keep track of the progress.

GS1 Scan4Safety

9.8 Juliette New joined the meeting and provided a brief overview of the session. Members were asked to give a summary of where they are in GS1 readiness. Discussion included:

- Trusts waiting to review evidence from pilot sites
- Board papers prepared providing the findings from pilot sites to get trust support
- Members struggling to get traction from their trusts
- GS1 offered to re-visit trusts to share some of the more recent evidence

- Portsmouth Hospitals NHS Trust has implemented GS1 and are self-funding recognising that some of it is BAU, but requires re-alignment of resource
- Emphasis was made on the requirement of trusts having GTINs for their catalogue
- Attention was drawn to the implementation guide on the DH website, challenge was made that for many access to this area is denied. Juliette asked for any trust who could not access it to contact her so she could arrange for this to be rectified
- There is a GS1 South West adoption group, which has now been extended to the whole of the South. These are quarterly meetings. Juliette New to share the details of these meetings with the Board.
- Derby Teaching Hospitals NHS Foundation Trust has realised £3m savings in theatres through the programme
- Members were urged to not wait for the demonstrator sites or further funding, they need to think about plan B in case further funding isn't available
- Individual trusts should progress this, but further benefit could be realised by doing this at STP level
- GS1 can facilitate peer to peer discussion across trusts
- NHS Supply Chain confirmed their delivery paperwork would contain the GTINs and GLNs

9.9 Question was raised over who is monitoring the progress, currently this is being done by DH and NHSI and there is talk that this will become part of the CQC 'use of resources' regime. Going forwards, trusts who are not engaged will start to be named and shamed; by 2020 all acute trusts need to be GS1 compliant. Procurement are an enabler in this, however it needs to be clinically led.

Clinical Evaluation Team (CET) Update – Simon Hall

9.10 Overview of where the CET came from under the CRB and the remit of the CET was given. The CET has a remit to assess the clinical value of products, bridging the gap between procurement and clinicians providing a transparent tool so everyone is informed. If you buy smart, good quality productive items, there are knock on effects and savings.

9.11 The five stage pathway was discussed:

- Product range assessment
- Intelligence gathering
- Stakeholder engagement
- Clinical criteria development
- Product evaluation and clinical review report

9.12 Clinical engagement workshops were held across the country to understand what was important for clinicians from different trusts; the information gathered was then validated. Recognition was given that the evaluation needed to be against four areas, criteria was then built around these:

- Packaging
- Opening
- Clinical use
- Disposal

9.13 Star ratings are allocated and applied to the reports, five of which are now live and on the website, a further seven are almost ready. Explanation was given as to why a star rating was applied as opposed to a product recommendation. Clinical use may vary dependent on the care setting so it is for a trust to build their own criteria and use the scoring to support their discussion between clinicians and procurement.

9.14 The challenge around the future of the CRB and CET was raised following discussion at the National Board. All were in agreement that this is a valued function that needs to be retained in the future architecture.

15/11/10 **Future Operating Model (FOM)**

10.0 Steve Milliner and Justine Henson from the DH provided an update on the FOM. The ICC is due to be implemented on 1st April 2018 and the Medical Towers will start on 1st May 2018. Overview of the Medical Category Tower awards was provided and query was raised over the Oxford AHSN and their involvement in the bids.

Challenge was raised over what is being done by the FOM team to mitigate competition from service providers within the Tower, for example individual hubs who make up CPP should not be competing with CPP for the same category.

All trusts have now been visited by the FOM team and a survey for understanding has been implemented. A request for a clinical lead and more DoF engagement is now being requested. Challenge was raised over whether the FOM team has answers to the questions clinicians and finance staff would bring up before they start engagement. It was confirmed that work has been done on clinicians, but work is on-going in terms of finance which NHS England is engaged on in terms of rolling out the top slice in 2019.

15/11/11 AOB/Close

11.0 The Chair drew members' attention to the cover sheet on the pack regarding confidentiality; he then brought the meeting to a close thanking members for their on-going support and attendance. He summarised the following key points from the meeting:

- Excellence attendance at the meeting
- Good progress on the FOM with feedback from the workshop due by the end of the month FOM however further guidance is needed
- Further work to be done on the metrics and workplan
- NHS Supply Chain is ahead of their savings target, as is the region
- Work to be done to look at gross savings and cost pressures from NHS Supply Chain
- Less aggregation of capital, but less resource
- NHSI HoPs have been appointed
- Importance of the GIRFT agenda
- Steady progress on Procurement Standards and accreditation in the region
- Variance on STP progress and approach
- Variance on GS1 progress, but imperative for trusts to take action
- Agreement that there is significant value of the work of the CET and that reassurance is needed it will continue
- Further work to be done on the sub structure of the board across the region to ensure consistency of message in the landscape