

NHS Customer Board for Procurement and Supply London Customer Board Meeting 13th December 2017

Category	Key updates
Strategic issues	<ul style="list-style-type: none"> • The DH provided an update on the Future Operating Model Programme and the Category Tower awards. In terms of funding the service will be financed in the same way as it is now, with the top slice being introduced from April 2019, margins will be removed from the catalogue so that buy price equals sell price. NHS England are finalising the mechanism for the funding, in order to do this they are engaging with the finance community. • It was noted that supplier behaviour in the short term could be a risk to the FOM if they manage to secure enough commitment from customers outside of the FOM. • The Chair asked if learnings from the Office Supplies Tower would be shared to benefit the other towers. • STP updates were provided. • The Chair welcomed NHS Digital and Category Specialists from CCS to give an overview of the HSCN project. • Update was provided on the National Ambulance Heads of Procurement Group which has now been running for 10 years; some of their procurement has been outsourced to East of England collaborative procurement hub. £1.5million was saved last year with a lot of work on standardising products such as uniforms, defibrillators and stretchers. There is a review of this now in place to ensure the work is aligned to Carter. • Update on the joint workplan between CCS and LPP was given, this is not coming to fruition as quickly as hoped so CCS has agreed to fund a six month resource to work within LPP to accelerate opportunities for the London region and improve the working relationship adding pace to the programme
Meeting the financial challenge	<ul style="list-style-type: none"> • Update was given on the NHS Supply Chain savings to date are at £255.4m at the end of September, ahead of the contractual target by £2.9m with a large proportion of the savings coming from net piece reductions. • Update was provided on the Shelford programme giving specific product area examples. £128k of savings have been identified through selection of products by TVNs, this needs to be signed off but once it is it will be shared for other trusts to take up the opportunity. • Update on the Capital savings to date was provided highlighting that a revised internal target of £250m has been set as the contractual target of £158m by the end of September 2018 has already been met.
Developing the procurement function	<ul style="list-style-type: none"> • Brief overview of the NHSI/DH led workshop which was held on 31st October 2017 to work on what the future procurement department may look like was given explaining there was excellent representation from across all trust types with each attendee asked to complete a trust impact assessment; these are now being collated by the DH. • Talent management was raised and the challenge of attracting high calibre procurement staff into the NHS was discussed. • With regards to PSDN the Chair noted that the paper was to be received for information only at this meeting, but that it warrants a

	<p>deeper discussion at the next meeting. Acknowledgement was given that this is an area NHSI are monitoring so this will be covered by them going forwards.</p>
<p>Meeting the quality challenge</p>	<ul style="list-style-type: none"> • With regards to GIRFT it was confirmed the programme would be an enabler for FOM. • Members were briefed that NHSI has taken a decision to not include the sole aware product areas within the NCP programme. • With regards to the Trusted Customer programme, it is looking to expand as more Category Tower providers are coming on board. There are a number of trusts in the pipeline also, within each region it was recognised that community and mental health trusts were not represented, this is being rectified. • Overview of the Ambulance/Acute project was provided where common product areas are being identified for standardisation across the two types of trusts. An example of where this has been successful is electrodes; the next area to be looked at will be linen and laundry. An MOU has been developed with a view to getting all acute trusts to sign up to this with their ambulance service. • The CET provided an overview of the presentation delivered by Mandie Sunderland at the National Customer Board meeting in November 2017. Key points included; an overview of where the CET came from under the CRB and the remit of the CET. 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.
<p>Communications</p>	<ul style="list-style-type: none"> • It was noted that procurement has been left out of the loop when the HCTED team has been engaging with trusts. All were in agreement that there is a lot of confusion on this project and further work is needed to be done to clarify the situation.
<p>How we work as a Board</p>	<ul style="list-style-type: none"> • The NHSI Regional HoP would be joining the next London Customer Board meeting.