

## Key Messages Regional Advisory Forum – September 2024

### Regional Focus – Midlands

- Year to date full year effect savings for the four regions was £18.29m, £1.6m was delivered in the Midlands. Following investigations, it has been identified that there are several switches that have been completed which are no longer tracking through, this equates to £1.3m in potential lost savings for the region. ICS managers will follow up with trusts on a local level to investigate further.
- The region has £3.7m of annualised savings at stage scoped or higher across 211 projects.
- The financial challenge and thus delivery of CIP remains the key priority across the region. Members expressed concerns at the levels of savings being delivered by NHS Supply Chain.
- Concerns were raised with regards to Procurement's lack of control and governance of added value funds.

### Key points

- An update was provided on Core List. As part of the CCF 26 interventions, NHS Supply Chain have been tasked to create a core list of products. Engagement on the programme is ongoing with customers through established working groups. The first iteration of products is planned to go live from January 2025.
- Bi-weekly customer webinars will continue on the Gojo Hand Hygiene disruption until November when the stock is expected to deplete.
- An NHS Supply Chain customer working group has been stood up to support Mpox activity.

David Faflik (Operational Excellence Manager) provided a progress update on the sourcing to launch process improvement project. Key points included:

- Based on customer feedback the scope of the project is broad, focusing on a framework to improve activity from sourcing through to framework launch. The aim to reduce waste and variation to develop a quality output to enable effective decision making for trusts.
- There are two key focus areas, product data quality and improving communication.
- Data quality includes pricing, product set up, delist and product alternatives.
- Improving communication is focused on what, how and when we communicate with customers. It is key that we develop a process to communicate when things do go wrong.
- Key metrics to measure the output of the programme will be developed with customers.

Rosy Bennett provided an update from NHS Supply Chain's Sustainability team, key points included:

- There are five key sustainability asks that are required from all our suppliers- Carbon Green Plan, Evergreen Assessment, Social Value, NHS England Supplier Roadmap and Carbon Reduction. These all support asks of NHSE policy.
- A Modern Slavery and Social Value internal risk rating tool has been created in collaboration with Stop the Traffic, this looks at risks associated with e-class codes. This will support the category teams with determining the level of intervention that is required at category level. High risk categories will require a third-party audit.
- The KPIs that suppliers have signed up to as part of the tender will be monitored, the aim is to share visibility of these with customers via contract launch briefs.
- An overview of the team's strategy was provided. This is built around five core pillars: People, Process, Impact, Stakeholders and Metrics.
- Improved customer communications on NHS Supply Chain's approach to sustainability is now available, a quarterly sustainability newsletter and webinar has been introduced.
- A new website page has been launched, which highlights potential opportunities available, these will focus on reduction/ reuse and repair.

Chris Walker (Head of Risk and Compliance) provided an overview of the Creating a Resilient Supply Chain document that was included in the pack, key points included:

- The Risk and Compliance team set the frameworks and expectations that the business should follow to manage risk. One single business continuity plan does not exist; however we are regularly asked to have better visibility of this from trusts.
- Customers have advised they would like to see more detail of what NHS Supply Chain is doing to minimise disruptions occurring and how they are managed if they do. In response a booklet has been developed which will be shared on our website in the coming weeks.
- There are three key frameworks within the pack which support different types of disruptions, however they are closely linked; Resilience, Business Continuity and IT Disaster recovery.
- Case studies to bring the plan to life have been included.
- Feedback received from customers suggests that it would be useful to have more information in the pack on our approach to cyber security, how we communicate with the wider system in the event of a major disruption and what is required from trusts to support NHS Supply Chain in the event of a disruption. This will be considered and where possible implemented in the pack before being shared wider.

Rachael Colley (Head of Category) provided an overview of procurement and aggregation opportunities within the Diagnostics, Equipment and Services category, key points included:

- An overview of the aggregation opportunities that are available was provided, there are currently 40 commitment deals/ bulk deals from the supply base in place across the category.
- A multi trust aggregation calendar is available on the website. NHS Supply Chain aggregate similar Capital requirements from multiple trusts, across different product areas to achieve greater discounts from suppliers.
- There has been a decline in the number of Capital plans received over the last 4 years.
- Currently in a pilot phase for a National Equipment Tracking and Inventory System (NETIS). This will take NHS Supply Chain data from the last 10 years (including maintenance), as well as spend comparison service data to support greater visibility of the total equipment across the NHS. This will support better planning across circa 60 categories and will aim to drive national policy and guide funding from DoH.
- National specifications have previously been agreed across various categories in Diagnostics and Equipment. This can be challenging, due to brand loyalty and varying trust requirements. There are plans to relaunch this initiative with conjunction with NHS England across several categories.
- Members highlighted the increasing demand for alternative commercial models that go beyond managed equipment services and requested that NHS Supply Chain adapt to support these going forward.

### **Actions for the NHS**

- Share Capital plans with the Capital planning team to support aggregation opportunities across the system. Customers interested in engaging in the Diagnostics and Service customer working group should contact [voiceofthecustomer@supplychain.nhs.uk](mailto:voiceofthecustomer@supplychain.nhs.uk).
- Continue to engage with the Care Pathway team on potential Value Based Procurement opportunities.
- Continue to support the Voice of the Customer Category Strategy and regular customer panels.