

Key Messages Regional Customer Boards – June 2022

Regional Focus – Midlands

- The Midlands and East was the highest performing region for savings nationally, with a strong Q4
- Seven of the 17 ICSs delivered above the 5% target set by the Customer Board pre-Covid
- £9m savings at an advanced stage. However, one of the critical limitations to unlocking this value will be the availability of local clinical stakeholders to support clinical change management crucial to the success of these savings opportunities' outcomes
- Over £1m of annualised savings have already been closed in this financial year, specific examples were provided, noting this is encouraging progress in the current economic climate
- Brief discussion was had on value based procurement and the recent presentation at the regional meeting. Members actively encouraged to engage with their CRMs where potential opportunities have been identified
- Brief overview of the remanufactured device opportunities. There are savings available across the region for adopting the use of T2 harmonic scalpel based on four existing OEM NPCs
- NHS Supply Chain's CRMs are prioritising their partnership activity on savings work-plan activities, resilience escalation matters, priority price increase mitigation activities, in addition to exploring Value Based Procurement and sustainability opportunities at local and system level
- Views were sought on current workforce issues, noting that recruitment is difficult and losses were being made to the private sector. There are inequalities between finance and procurement bandings. Work needs to be done to protect the workforce, moving people around within the system. The critical issues around workforce challenges throughout the whole of the NHS Procurement systems should be escalated to the National Customer Board
- Discussion was had on how the region should be working together following the on-going national reconfiguration of the NHS Procurement landscape and recent regional ICS wider transformation developments. A working group with appropriate representation from all regions across the 'Midlands' Customer board footprint is to be formed, and led by Nathan Joy-Johnson and Simon Clarke

Key points

- Melanie Hall joined the session to provide an update on the work Unipart is doing with a number of ICSs. Key points included:
 - a. Update on which ICSs have been involved to date and the activity which has commenced
 - b. Learnings so far; strong collaboration across acutes, less so with community and mental health, less cohesiveness across all ICS partners
 - c. Inconsistency of systems and process across the ICS, trying to understand this is a key part of the programme. This is creating cost and inefficiency
 - d. There is a lack of data and performance management at an ICS level for supply chain activity, the hope is this activity may be able to make some recommendations as to how to address this
- Update was given at each meeting on the work of the Resilience Working Group, key points included:
 - a. Recognition that there is a lot to do, but the working group provides a good structure
 - b. Improvements to ICNs and ICN process to make it easier for colleagues to navigate
 - c. Work is being done on price increase information; a pack will be launched later this month
 - d. Where there is significant cost pressure request from suppliers, top users are being brought into the discussion to ensure there is strong voice of the NHS
 - e. Work is being done to improve the process and queries around stock availability, a clear process flow is being developed for escalations
- Claire Marsh joined the meeting to provide an update on savings reporting, key points included:
 - a. Changes have been made based on recommendations from the savings working group
 - b. Indexation report – this is live now, but improvements have been made to include the Consumer Price Index as recommended by the customer working group. Savings or cost pressures already applied have been removed to avoid any duplication. Launch will be 13 June 2022
 - c. New cost avoidance report is being developed; the hope is this will be ready for launch in July.
 - d. Brief overview of the reporting portal was provided, noting everything will be kept together
 - f. There are 15 trusts represented on the savings working group



- Sara Ford provided an update to the meeting on the Target Operating Model process so far, key points included:
 - a. Additional engagement sessions were held in April 2022
 - b. There are three procurement activities, running in different time scales
 - c. Work is being done to move from the 'as is' stage to the 'to be' stage, a further update on this will be provided
 - d. Out to tender for the outsourced category management providers
 - e. A representative member from each of the Customer Boards would be asked to be involved in the evaluation stage, but also to spend some time understanding the specification
 - f. The insource of Category Tower 7 is going well and on track for July 2022
 - g. The IT and Logistics procurements are going through business case development

