

## Key Messages Regional Customer Boards – March 2022

### Regional Focus – Midlands and East

- The Chair reflected on the sad news of Allan Rivans passing away. The Board extended their condolences to his family and colleagues
- Andrew New, Chief Executive NHS Supply Chain, joined the meeting as an introduction to the group, he took a few minutes to reflect on the importance of the Board
- David Smith from NHSE/I was in the meeting; he provided an update noting the work he is doing is focused on looking at opportunities across ICSs, such as; leveraging economies of scale across trusts and supplier base, service resilience and innovation and supplier development
- Tom Neilan provided an overview of the performance in the region, key points included:
  - a. Savings delivered £10m, this is strong performance in comparison to the other regions and also given the challenging time over the last couple of years. £6m is range management, switching from product A to B or moving purchasing to NHS Supply Chain from a different route. These savings initiatives will become even more critical to our successful delivery going into 22/23.
  - b. Good conversations with senior finance colleagues in the region, Tom encouraged these with members
  - c. There is £3m at an advanced stage, which is hoping to be closed off by the end of the month
  - d. NHS Supply Chain is keen to be part of sustainability working groups throughout the region
  - e. Brief team updates were provided
  - f. Request was made for earlier visibility of cost pressures
  - g. Update was given that the pricing pack will be refreshed quarterly, with additional detail being added in, request was made for this to be done at a system level
- Concern was raised over the level of stock outs and delists and the impact this is having on trust teams and how the situation is getting worse. Also, issues are happening with deliveries from third party suppliers. Further clarity was sought on the route of these deliveries, whether they are eDirect or third party outsource
- Update on PPE transfer, primary aim is no disruption to service, it will transition 1 April. Regular updates have been and will continue to be provided via the monthly customer webinars

### Key points

- Update on NHS Supply Chain's Target Operating Model was given, key points included:
  - a. The process looks to address the future needs of trusts and ICSs
  - b. Several themes have been consistent to date
  - c. Greater visibility and greater input into key strategies
  - d. Simplification of the model as it is today and improved management of the supplier market
  - e. Better connection with patient pathway and driving value
  - f. Resilience and connected supply chains
  - g. Several pain points which are being worked into the transformation plan
  - h. Market engagement sessions with potential CTSP providers have taken place, these will conclude towards the end of March, ITT will then be issued
  - i. A new ten-year vision is being worked on for the organisation, further input will be sought on this
  - j. Chris Holmes attended the National Procurement Forum to ask for support on the logistic tender
  - k. Further input sought on NHS Supply Chain's Clinical Value Proposition
- Brian Mangan joined the meeting to provide an update on the Value Based Procurement Programme, key points included:
  - a. Working with NHSE/I on system level guidance for efficiency savings, stakeholder group being established with first meeting on 9 March 2022
  - b. Engagement with organisations such as NICE, developing a common language of value
  - c. Toolkit has been developed with the CTSPs, each one now has a VBP lead
- Members of the Resilience Working Group, provided an update on its progress, key points included:
  - a. Reassurance was given that demand management and stock issues are being discussed
  - b. Lots of work has been done on ICNs with improvement being made, an Early Inform has now been introduced and well received



- c. Issues around being framework communications is causing problems
- d. Requests raised are being picked up and acted on which is delivering progress
- e. Stock availability and issues will continue to arise along with cost pressures
- f. A separate communication meeting happened, with decision that a comms pack would be developed to share out with all trusts
- g. Discussion is ongoing around service levels, Chris Holmes and his team are working with UCLH and Oxford on this, further update will be provided on this when there are
- Jason Shirtcliffe joined the meeting to provide an update on the Lead Reference Trust programme, key points included:
  - a. Lead Reference Trusts should be the heart of any strategy, there is option to extend across a wider group of trusts
  - b. Website has been developed; trusts can register their interest in a particular category. A pipeline can be built up
  - c. Escalation processes have now been introduced to ensure two-way engagement. Level of conversation can be assessed at Category Council session
- Phil Nettleton joined the meeting to provide a further update on the Operational Excellence Contract Launch programme to the group, following the request at the last meeting. Key points included:
  - a. Progress has been made since the last update, there are 27 pain point areas which have now been ranked with input from trust colleagues
  - b. Nine areas out of the 27 are being focused on where the most impact will be made, a governance plan is then being implemented
  - c. There will be a twelve week intensive period to drive the nine projects with full programme support to make continual improvements

#### **Request of NHS provider organisations**

- a. Request was made for any ICS who would be willing to take part in a Value Based Procurement pilot to contact Brian Mangan Directly [brian.mangan@supplychain.nhs.uk](mailto:brian.mangan@supplychain.nhs.uk)
- b. Review and sign Lead Reference Trust Charter
- c. Trusts were urged to return roll cages; the cost of replacement is rising which creates additional cost in the system and may impact service going forwards if there are not enough cages in the system
- d. All trusts are encouraged to ensure they have suitable representation on the monthly customer webinars to ensure they are receiving all relevant communications

