

Annual Report 2015/16



Delivering real value for
the NHS in the East of England



Chief Executive's Introduction

David John, Chief Executive Officer



Welcome to the 2015/16 Annual Report of the East of England NHS Collaborative Procurement Hub, which provides an overview of our ninth operational year.



I am pleased to report that the Hub delivered a benefit to customers of £9.48m, which was 11% more than the previous year and well ahead of forecast. It has been another challenging period for the NHS and we are delighted to have been able to support customers in achieving increasingly stringent savings targets. As ever, savings are not the whole story and we have also been able to add value in a number of other areas, which are outlined in this report.



All this has been achieved without increasing fees to our customers for the sixth year in a row, with no planned increase in fees for 2016/17. Further detail on our financial results can be seen later in this report.

Highlights of the Year

NHS Collaborative Procurement Partnership (CPP)

The concept of NHS organisations working collaboratively to save money and increase efficiency has never been more important than it is today and the word 'collaboration' has become something of a buzzword in the health economy. The Hub, in conjunction with its fellow NHS hubs (NHS Commercial Solutions, North of England NHS Commercial Procurement Collaborative and London Procurement Partnership) has been ahead of the curve on this and we worked closer together than ever before in 2015/16.



Under the CCP banner, a number of successful and award-winning projects have been delivered this year, including a Total Cardiology Solutions Framework agreement and a Nursing and Nursing-Related Staff Framework, which followed the innovative Total Orthopaedics Solutions Framework the previous year and created national savings opportunities worth £18.1m in its first year alone.

Each of these CPP projects has delivered significant savings not just in the East of England, but in Trusts across the country where the partnership operates. Closer collaborative working has also led to the opening up of an increased number of framework agreements originated by individual hubs, which members in the East of England have benefited from this year.

In addition to working with CPP partners, we also continue to work closely with NHS Commercial Solutions as part of the NHS Commercial Alliance, which continues to develop a single work plan and share best practice in a range of key areas.



Supporting and Developing Framework Agreements

Hub members have had access to an even larger number of new frameworks this year, many of which have delivered significant savings. The full list of current frameworks open to our members, including those available through the Partnership, can be viewed on our website: <http://eocph.nhs.uk/hub-frameworks.htm>



New frameworks this year (in addition to the CPP frameworks) have included Orthotics, Continence Consumables, Endoscopy and Radiology Consumables, Continuous Renal Replacement Therapy and Haemodialysis and a re-tender of the highly successful Analysis and Reconciliation framework.

In addition to developing new frameworks, the Hub team continues to support Trusts in maximising value from existing frameworks and helping them achieve their commercial objectives.



The Hub has seen a significant increase in the uptake of the Commissioning Partner Framework agreement this year, particularly from acute providers. The framework offers support with service redesign, health and social care co-commissioning and community provider provision.

The subject of temporary agency staffing has been a particularly hot topic this year and as well as playing its part in developing the new CPP framework for clinical staff (due to launch in August 2016), the Hub's agency team has been active in supporting Trusts deal with concerns over agency caps and other issues in this highly challenging market.



Pharmacy

The year 2015/16 was another highly successful one for the Hub's dedicated, award-winning Pharmacy team.

Virtually every Trust in the region is signed up to the Hub's Pharmacy service and the team continued to provide a tailored service, delivering significant savings across the health economy.



The Pharmacy team further defined its offering for CCG customers and is pleased to report savings of £720k for CCGs, which represents an average return on investment of 12:1. Savings for Pharmacy customers as a whole were worth circa £4m in 2015/16.

Other frameworks which the team has been developing this year have included the new Medical Liquid Oxygen framework, the retender of Cleanroom Consumables and Laundry Services and Contrast Media.



The Hub's Homecare Centralised Governance model was in the running for the HCSA Procurement and Supply Management Procurement Award 2015. Although not ultimately a winner, the team was pleased to be a finalist in a highly competitive shortlist. This model has since been replicated elsewhere in the UK.



Other Pharmacy highlights this year included our NHS Pharmacy Procurement Conference, which took place at Newmarket Racecourse on March 8th 2016, and attracted nearly 200 NHS stakeholders and Pharmacy suppliers from all over the country.

Clinical Product Specialists (CPS)



The Clinical Product Team has been working closely with a number of member Trusts towards its goal of helping customers achieve savings without compromising patient care. Total benefits worth over £893,000 were delivered by the team in 2015/16 across a range of areas.



The work of the CPS continues to be highly valued by our members and the team's expertise and support has been called on across a wide and varied range of clinical product areas this year. These have included: examination gloves; drapes and gowns; disinfectant wipes; admin sets; adhesive tape; lubricating and ultrasound gel; anti-embolism stockings; laryngoscopes; ET tubes; swabs; oral enteral products; ECG electrodes and defibrillator pads; safety blood lancets; and Entonox filters and mouthpieces, to name a few.

Commissioning and Project Support



Major changes in the world of procurement for 2015/16 came in the form of the Public Contract Regulations 2015 (PCR 2015), which replaced PCR 2006. This meant several changes for the NHS in the way goods and services are secured, with additional new requirements being introduced in addition to the European Commission Directives, including UK-specific reporting and publication requirements which stemmed from Lord Young's reforms.

Other new elements included the Electronic Standard Procurement Document (ESPD) and for commissioners and there was a delayed entry to PCR 2015 with services subject to the NHS (Procurement, Patient Choice and Competition) No 2 Regulations 2013, which came into force on 18 April 2016 as the "Light Touch Regime" – the replacement for the old Part B regime.

The year 2015/16 was another interesting and diverse one for the Hub's commercial project team in supporting commissioners and Trusts, with the team successfully delivering and providing assistance with a number of projects including:



i) Supporting the East of England Strategic Cancer Network with its regional tender programme for a Single Integrated Haematological Malignancy Diagnostic Service. This project was initiated by the Network as a response to the requirements of guidance material which identified amongst other elements the need for Multi-Disciplinary Teams (MDTs) and for these to have a minimum catchment population of 500,000. The Hub provided support through specification review and development, procurement advice, a fully managed e-procurement process and project management.



ii) Carrying out procurement and a “critical friend” review of options for NHS England for GP Services in the Cambridgeshire area.



iii) Supporting East and North Hertfordshire Clinical Commissioning Group’s Cheshunt Minor Injuries Unit in securing services around (non A&E) urgent care services.

The commercial project team was also busy managing its existing portfolio of frameworks, ensuring they remained relevant to customers, as well as retendering Audit Services.

In addition, the team provided advice and guidance on mini competitions from the perspective of both using and running frameworks. The commercial team will continue to provide a flexible resource to commissioning customers, offering a range of support services including advice, project management and strategic procurement.



E-Enablement and Business Support



The deadline for GS1/PEPPOL compliance was June 2015 and the Hub’s e-enablement team spent the early part of the financial year helping a number of Trusts finalise their plans before the deadline.

The team continues to provide guidance in this area, as well as in other aspects of e-sourcing and e-cataloguing.

The Hub is working closely with its opposite numbers in the other three hubs to procure a single supplier e-cataloguing solution and work on this continues into the current financial year.

The business support team revamped the Hub’s customer reports in 2015/16 to provide members with individually tailored documents.



The new reports offer a greater level of detail than before, above and beyond simply savings updates. The new style reports will be further refined in the current financial year to ensure they provide customers with a broad range of relevant information.



In addition to its wide range of 'business as usual' work, the business support team, which covers finance and reporting, bench marking, data analysis and communications, was instrumental in organising a number of events for the benefit of members, including conferences and training as well as supporting the wider procurement team in the delivery of its objectives.

Hub Conferences, Events and Training

Over 600 NHS stakeholders have attended three major conferences hosted by the Hub in the past year, covering the key topics of Temporary Staffing Pharmacy, Legal Services.



The NHS Pharmacy and NHS Temporary Staffing Conferences have grown into national events, with attendees coming from as far afield as Cornwall and Newcastle, as well as having excellent attendance from our customers in the East of England.



The events provide NHS customers with an opportunity to share best practice in the specific subject areas and network with peers who are dealing with the same issues in other parts of the country.

The Hub hosted an extensive training programme in 2015/16 – its most ambitious and wide ranging ever - which in turn is likely to be eclipsed by the new programme for 2016/17, which was developed last year and is now in full swing. The usual legal training programme for 2015/16 was boosted by a number of 'Taster Sessions' delivered by the Hub's Commissioning Framework Partners.

Over 200 customers, associates and other NHS guests attended various Hub training sessions on a diverse range of subjects, including legal aspects of procurement, ICT, public engagement and consultation, achieving horizontal and vertical integration in care, strategy development and governance. Hub training sessions regularly get excellent feedback from customers and the service is appreciated by our customer base.

Summary

To conclude, we are pleased to report on another successful year, which has delivered significant cost savings across the region and has provided member Trusts with a range of value added services in support of their overall business objectives.



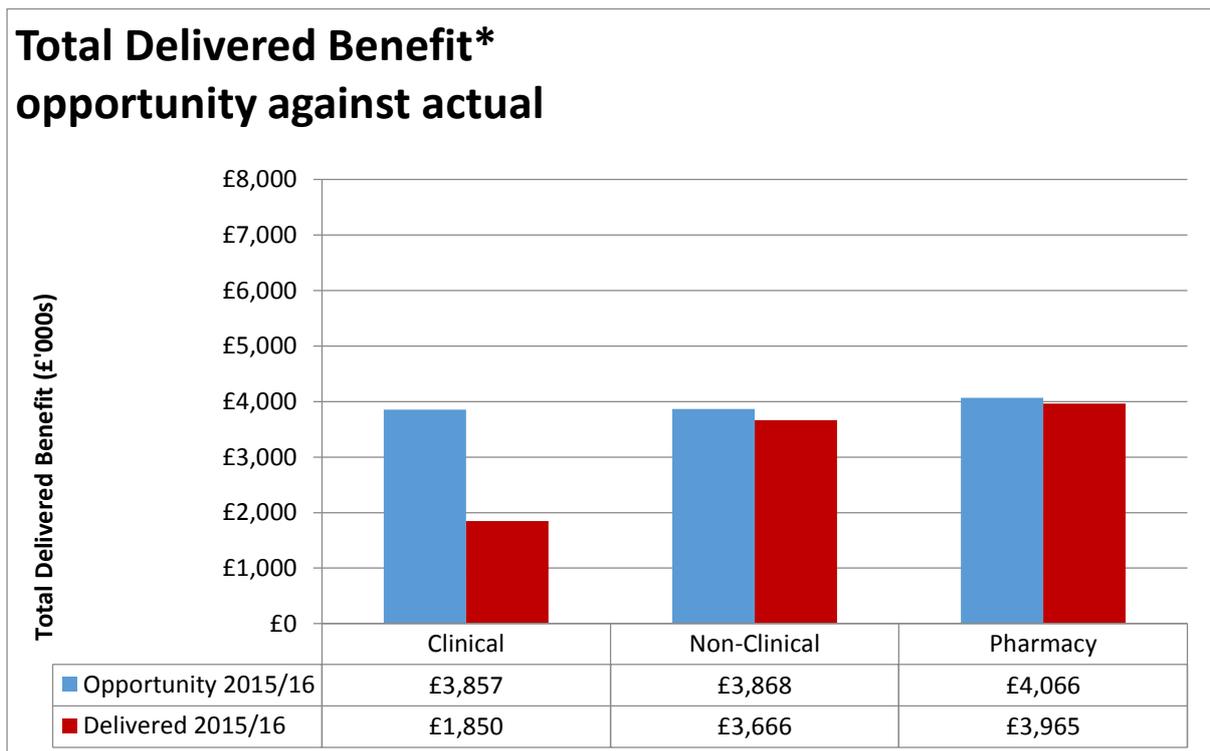
Hub Financial Overview 2015/16



Hub Overall	Planned 2015/16		Actual 2015/16	
Total Delivered Benefit¹	£6.434m		£9.481m	
Gross Income/Expenditure	Income £2.103m	Expenditure £2.091m	Income £1.696m	Expenditure £1.679

¹ The total delivered benefit consists of both Cash Releasing and Cost Avoidance Savings

Total Delivered Benefit* opportunity against actual



* Consists of both Cash Releasing and Cost Avoidance savings

Delivering real value for

the NHS in the East of England

Working to deliver procurement benefits for NHS Trusts in Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk

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