

# an touch



NHS Legal Services
Conference

Over 100 stakeholders and suppliers attended the Hub's first NHS Legal Services Conference, which took place at the Stansted Hilton on 20th January.

This conference provided an opportunity for NHS and local government customers to meet some of the legal firms on the NHS Commercial Alliance's Legal Services Framework Agreement.

It also gave them the opportunity to learn more about key legal topics relevant to the public sector, including health and social care integration, estates and facilities and new commercial opportunities for the NHS.



February 2016

### Spotlight on the Carter Review: Key Areas of Interest



The Carter Report on Productivity in Hospitals has 15 recommendations. All are important, but in this edition of Hub in Touch we are focusing on four in particular. The Hub is working with Trusts on each of these initiatives and would be pleased to discuss the report in greater detail as required. To view the report in full, click here.

#### **Pharmacy**

The NHS spends around £6.7bn on medicines in hospitals and £0.6bn on hospital pharmacy services. The report notes that the most expensive Trusts spend 2.5 times more on medicines per WAU (weighted activity unit) than the least expensive. Stockholding varies between 11 and 36 days and 50% of medicine deliveries come direct from manufacturers resulting in up to 30 deliveries each day. Carter recommends a Hospital Pharmacy Transformation Programme (HPTP) be established and that NHS Improvement regularly publishes a list of the top 10 medicines with savings opportunities.

#### **Procurement**

Excluding agency staff, medicines and estates, NHS Trusts spend around £9bn on goods and services. Carter notes that the highest procurement WAU spend is two times the lowest, that there is a difference in average price of 102% for hip prosthesis and 50% for drug eluting stents with a spend disaggregated across 26 brands and 11 suppliers. The Procurement Transformation Programme (PTP) aims to save £750m pa through: a national NHS Catalogue; a Future Operating Model for procurement and supply chain in the NHS and eProcurement with the adoption of GSI coding and PEPPOL messaging. Carter recommends that Trusts should report their procurement information monthly to NHS Improvement to create a price index, to increase collaboration and to commit to the NHS PTP.

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#### **Carter Review Spotlight Continued**

#### **Estates and Facilities Management**

The cost of running NHS facilities is over £8bn pa, the most expensive Trusts spend around 3.8 times more on pro rata running costs than the least expensive with a potential £1bn saving. In addition, the Trusts with the highest non clinical use of space have around 2.6 times more than the lowest.

There are similar spreads for cleaning and catering. Carter recommends that Trusts develop a strategic estates and facilities plan and a cost reduction plan for 2016-17. He also recommends that estates and facilities costs are embedded into Trusts' patient costing and service line reporting systems.

#### **Model Hospital**

The recommendation is that NHS Improvement should develop the Model Hospital and the underlying metrics to identify what good looks like, so that there is one source of data, benchmarks and good practice.

This will be delivered by ensuring consistency in costing and budgeting approaches including a common Chart of Accounts and the use of a standard patient level costing system (PLICS) in all trusts by April 2017 and ensuring the model hospital and underlying metrics are expanded to cover non-acute trusts by April 2017.

To discuss the implications of Lord Carter's report, please contact howard.rolfe@eoecph.nhs.uk

#### **Non Clinical Project Updates**



#### Agency Staffing - Monitor Caps, New Framework **Update and the Regional Strategy**

Together with the other regional NHS Procurement Hubs in the NHS Collaborative Procurement Partnership, the Hub continues to work with Monitor/TDA to implement the new agency pay caps through both in-contract supplier negotiations within existing framework agreements and the new fully compliant Framework Agreement for the Provision of Clinical Staffing which is in development.

Progress on the new framework is progressing well in an often changing environment and we expect that it will go live in June/July 2016. Updates on the new Framework will be posted on this page of our website:

#### http://eoecph.nhs.uk/NHS-agency-staffingprocurement-news-2016.htm

In terms of broader developments, Monitor/TDA continue to send strong messages on the new caps and the responsibilities of Trusts to adhere to them via compliant framework agreements. The main repository for the Monitor/TDA's communications can be found here:https://www.gov.uk/guidance/rules-for-allagency-staff-working-in-the-nhs

Below is a link to the most recent publication which emphasises the requirement to remain compliant:

https://www.gov.uk/government/uploads/system/uplo ads/attachment\_data/file/493131/Policy\_update\_agency controls FINAL.pdf

The February cap is now applicable and the repercussions of the caps continue to be felt. We have recently sent the new rate-card pricing submitted by the suppliers



on the prevailing Nursing Framework to all customers.

We are still hearing stories about agencies seeking to split the market or circumvent the new caps in order to get workers in place.

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We are also continuing to monitor and drive agency behaviours and would encourage you to contact either Chris Goody or Fiona Holliday to report any disreputable activity encountered.

Moving forward, we will continue to develop and implement the new Clinical Staffing Framework while supporting customers in working within, amongst others, the outgoing Nursing Framework.

We will also be developing geographically clustered stakeholder groups to discuss and implement aggregated/collaborative agreements that send a clear message to the marketplace; whilst also protecting Trusts from agency worker migration to others in the vicinity.

#### NHS Temporary Staffing Conference – 20th April

The Hub is hosting its 5<sup>th</sup> annual NHS Temporary Staffing Conference on 20<sup>th</sup> April 2016 and we are experiencing high levels of interest, so please confirm your place while there is space! Click here for more information.

For further information about agency staffing issues, contact chris.goody@eoecph.nhs.uk fiona.holliday@eoecph.nhs.uk

#### **Analysis and Reconciliation Retender**

We are in the process of retendering the Analysis and Reconciliation framework, following the success of the previous framework which saved around £9 million for the NHS. We are currently



evaluating the commercial offers that have been submitted, with a view to awarding onto the framework by early March.

The framework has been structured around 10 activity Lots, which include Telecoms, Energy, Water, VAT, Estates, Accounts Payable, Temporary Staff Payroll, Contracts Compliance Audits, Managed Service Offering.

The new framework will be a non-ranked supplier award and will give NHS and other public sector organisations the option to either make direct call offs for one or more of the activity Lots and/or carry out further competitions if required.

For more information, please contact: stephen.evans@eoecph.nhs.uk

#### **Audit and Accountability Act Implications and Requirements for 2016**

The Local Audit and Accountability Act 2014 and the Local Audit (Health Service Bodies Panel Auditor and Independence)



Regulations 2015, has meant significant changes to the local public audit regime.

It replaced the existing centralised arrangements of external auditors being appointed to health service bodies and local authorities, with the requirement that each body must now make its own appointment.

Although the requirements of the Audit and Accountability Act will take effect from audit year 2017/18, it is a requirement that Trusts and other bodies have firm arrangements for their external audits in place by December 2016.

The Hub's Audit and Consultancy Services Framework gives access to Statutory Auditors who meet the new registration requirements, are experienced in working for the public sector and who are fully compliant with Legislation and Audit Standards, making for a stress free route to the competitive market place.

The Hub's Framework has auditors for external audit, as well as internal audit and counter fraud services. If you would like further information on the Audit and Accountability Act please click here or for more information on using the free to access framework, please contact sandra.atik@eoecph.nhs.uk

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#### **Printed Stationery Framework**

We would like to remind members that the NHS Commercial Alliance has access to a Printed Stationery Framework Agreement.

The framework covers the provision of printed items such as headed paper, compliment slips, business cards, promotional literature and other standard stock or nonstock documents that NHS organisations might require.

The following suppliers are on the framework:

- Alphaset Digital Ltd
- **CDP Print Management**
- Collector Set Printers Ltd
- **Cubiquity Media**
- Harlow Printing Ltd
- **LG** Davis

The process for accessing the suppliers on the framework is via the use of a further competition. Template documents for completing a further competition are available on request.

For more information regarding this framework, please contact matthew.wood@eoecph.nhs.uk

#### **Clinical Project Updates**



#### **Orthotics Services and Consumables**

Following the success of our previous orthotics framework, the Hub is in the process of re-tendering.

The new Orthotics Services and Consumables Framework Agreement will include the Lots:

- Lot 1: Orthotics Consumables (including Made to Measure and Off the Shelf)
- Lot 2: Orthotics Services
- Lot 3: Orthotics Managed Services (including partially Managed Services)

The new framework is due to go live in April 2016 and there will be a Framework launch stakeholder event that month, further details to follow shortly.

For further information about the framework, please contact helen.mason@eoecph.nhs.uk

#### **Ophthalmic Framework Renewal**

We are currently in the process of renewing the Framework for IOLs/Phaco equipment/packs.



This will be a joint NHS Collaborative Procurement Project, working in collaboration with the other NHS procurement Hubs. The deadline for renewal is 1st June 2016 by open tender.

The framework will aim to be an "all inclusive" contract which covers all requirements for ophthalmic surgeries. The following categories are under consideration:

Lot 1: Intraocular Lenses

Lot 2: Ophthalmic Surgical Consumables - Single Use

Lot 3: Ophthalmic Surgical Consumables – Re-Usable

Lot 4: Phaco Equipment/Systems

Lot 5: VR Equipment/Systems

Lot 6: Ophthalmic Procedure Packs

Lot 7: Microscopes

Lot 8: Diagnostic Equipment/Systems

Lot 9: Laser Equipment/Systems

Lot 10 to Lot 15: Combination Lots

Lot 16: Innovative Solutions

Lot 17: Managed Service

For more information, please contact helen.mason@eoecph.nhs.uk

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#### **Surgical Stapling and Laparoscopic Consumables**

The Hub is currently working with colleagues in the NHS Commercial Alliance with regard to renewing the Framework for Surgical Stapling and Laparoscopic Consumables.

The deadline for renewal is 25<sup>th</sup> September 2016, with the scope currently being developed by the Project Team.

For more information, please contact stephen.evans@eoecph.nhs.uk

#### **Theatre Consumables**

frameworks The Procedure Packs and Drapes and Gowns are due to reach their final expiration in July and August 2016. Due to the significant crossover of



suppliers it has been agreed that there would be merit in re-tendering these categories under one new framework.

To fully utilise the new framework, other theatre products and services are being considered as additional categories and lots to be included in the scope of the agreement.

It has been identified through previous lessons learnt that any product categories that are included under this framework would need to be items that are exclusively delivered to theatres.

The following categories are under consideration:

- **Procedure Packs**
- **Drapes and Gowns**
- Haemostats
- Sutures
- PPE Theatre Hats, Gloves and Hoods
- Single Use Instruments
- Re-Usable Instruments and their maintenance
- Theatre Consumables Scrub Brushes, Absorbent Mats, Sharps Bins

The next steps will be to set up a Sourcing Group with membership from each Trust.

Please contact <a href="mailto:carol.Piggott@eoecph.nhs.uk">carol.Piggott@eoecph.nhs.uk</a> if you are interested in taking part in this group or for any other information about the project.

#### **Pharmacy Update**



#### Medical Liquid Oxygen - Adjudication Meeting

An adjudication meeting for this tender took place on 16<sup>th</sup> February with representation from Trusts across the NHS Commercial Alliance.

#### **Cleanroom Consumables and Laundry Services** Supplier event - 29th February.

The Hub is hosting a supplier event in Fulbourn on Monday 29th February. Any Trusts wishing to attend should email cphenguiries@eoecph.nhs.uk to reserve their place.

For more information about pharmacy projects, please contact: stephanie.sprakes@eoecph.nhs.uk

#### NHS Pharmacy Procurement Conference, Newmarket Racecourse - March 8th

The final agenda has been published for the NHS Pharmacy Procurement Conference 2016, which will give NHS Trusts and pharmacy suppliers the chance to find out about the latest developments within pharmacy procurement and also share opinions and network with other stakeholders. To book to attend the Conference, click here.

For more information about the event, please contact melanie.nicholson@eoecph.nhs.uk

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## **∄in touch**

#### East of England NHS Collaborative Procurement Hub

#### **Clinical Product Specialists Update**



The CPS team is currently working with Trusts following the new NHS Supply Chain framework award for examination gloves.

There are new suppliers on the framework and one of these suppliers is offering regional Hub pricing. This regional pricing brings the examination gloves in line with some of the most cost effective gloves on the framework. A number of Trusts have completed table top evaluations of these gloves and are either going forward to clinical evaluations or switches.

Work is being undertaken with Trusts to standardise ECG electrodes and Defibrillator Pads, which is also resulting in savings for Trusts

A regional price has been agreed for the Unistik range of safety blood lancets supplied by Owen Mumford. The CPS team is currently finalising this price and it will be relevant to all Trusts using this range of lancets. A further piece of analysis work will be carried out to look at standardising Trusts to use this range to achieve savings.

A savings opportunity has been identified for Trusts purchasing suction irrigation direct from the supplier. If Trusts wish to look at this alternative product they can send their current data to the CPS team for analysis.

A new opportunity has arisen on the Entonox filter and mouth piece. This product is used mostly in Accident and Emergency Departments and Delivery Suites and is usually purchased direct from the supplier. Any Trusts wishing to consider this alternative product can send their current data to the CPS team for analysis. For more information, contact: pauline.tottlen@eoecph.nhs.uk or steve.upton@eoecph.nhs.uk

#### **Training News**

Work is progressing on the Hub's training programme for FY 2016/17 and the first confirmed dates are available to book now. (Click headings to go to the registration sites.)

Mills & Reeve 1.30pm - The New 'Light 15 April

Touch' Regime - What it will mean in

Practice?

13th May Trowers & Hamlins, 1.30pm -

**Procurement Legal Challenges – How** 

to Prevent and Defend them.

10<sup>th</sup> June **Trowers & Hamlins, 1.30pm - Dynamic** 

**Purchasing Systems** 

11<sup>th</sup> Nov Mills & Reeve 10am - Procurement

> **Evaluation Workshop – A Practical Guide to Carrying Out a Robust**

**Evaluation** 

Other topics we will be offering in collaboration with other legal firms (dates TBC) will include:

- The Procurement Tightrope: The Public Contracts Regulations 2015 Reviewed and Explained
- Living the Contract: Practical Guidance on holding Suppliers to the terms of commercial contracts and protecting your position.
- Integrated Care the challenges and how to get it done.
- Legal aspects of commissioning procurement
- Public to public contracting Teckal and Hamburg scenarios, new contracting models & new models of care.

For further information, contact: melanie.nicholson@eoecph.nhs.uk



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