



Procurement forum

18 May 2017
110 Rochester Row, London

In association with
HCSA

More than a year on since the Carter review on productivity was published, procurement's key role in the NHS - to support the delivery of high quality care in an efficient and cost effective manner, is as crucial as ever.

This forum is designed to enable finance leaders and their senior staff to discover how improvement is being driven nationally and how local providers are progressing in turning potential savings into real benefits. It will explore how finance staff can better understand the opportunities for efficiencies in procurement, and the tools available to examine their organisation's performance.

This forum will also examine developments within the procurement community contributing to the overall NHS savings requirement, exploring case-studies in sub-plenary sessions to share learning and best practice around processes and implemented solutions to turn potential savings into a reality.

Provisional Programme

09:00 **Registration, exhibition and networking**

10:00 **Chair's welcome and housekeeping**

*Keith Griffiths, Director of Sustainability, East Lancashire Hospitals NHS Trust
& Vice Chair of the HFMA Provider Finance Faculty*

10:05 **The Future of NHS Procurement**

*Howard Blackith, Programme Director - NHS Procurement Transformation,
Department of Health*

Howard will join us to:

- Describe the Future Operating Model (FOM) for procurement across the Department
- Update on the current implementation.

Paul West, Director of Procurement & Corporate Services, NHS Improvement

Paul will join us to:

- Consider progress to date on the recommendations of the Carter review
- Reflect on his first 3 months in post and share his observations on the challenges
- Summarise the initial benchmarking metrics just released
- Outline the role of NHS Improvement's new National Procurement Forum (NPF).

PANEL Q&A

11.00 **Clinical perspectives on the early results of a theatres based quality- and cost-improvement programme**

Arthur Stephen, Consultant Orthopaedic Surgeon, & Darren Riley, Deputy Director of Finance, Derby Hospitals NHS FT

The average NHS hospital wastes £1.6m per year on unnecessary instrument reprocessing. Borrowing best practice principles from the Virginia Mason Health System, the Royal Derby Hospital has set out to address this issue and concurrently enhance the education of theatre teams to deliver improved surgeon support. Implementing a fully managed digital solution across its annual 72,000 elective procedures in 35 operating theatres; Mr Stephen will provide a clinical perspective on the results of the quality, cost and educational improvements that have been realised, including significant re-investible savings for front-line services.

11:40 **Exhibition, networking and refreshments**

WORKSHOP CHOICES

12.00 – 12.45 **WORKSHOP SESSION 1** *Please choose one of the workshop choices listed below*

(1A) **Spend Analytics: what does Purchase Price Index Benchmarking (PPIB) offer**

Mat Oram, Director, AdviseInc

The range of prices paid by NHS trusts for particular products receives much negative publicity. The PPIB tool provides an invaluable insight into the price being paid by other trusts and hence the potential savings available on products purchased by your trust. Drawing from a data set from over 150 hospitals, the tool gives procurement colleagues total transparency on pricing and provides them with the intelligence to drive down prices when negotiating with suppliers.

Delegates attending this session will gain an understanding of the power of the tool, see it in action and hear examples of how other trusts have used the tool and secured savings.

(1B) **The last mile: transforming the supply chain from loading bay to patient**

Ian Hooper, Associate Director of Procurement & Supply Chain & Phil Lapham, Theatre Supply Chain Manager, Cambridge University Hospitals NHS FT

In this session, Ian will describe the current landscape of materials management and supply chain at a local level – within the healthcare setting. He will also consider best practice emerging in this area, and ‘what good looks like’. Ian will outline his trust’s journey to transform the ‘last mile’, outlining the ‘wins’, issues faced and future development plans. Phil will join Ian to share details of a specific case study where the team has revolutionised theatre stocking to operate on a ‘just in time’ basis.

12:45 **Lunch, exhibition and networking**

13:25 – 14.10 **WORKSHOP SESSION 2** *Please choose one of the workshop choices listed below*

(2A) **Lifting the lid on your trust’s procurement opportunities**

Mark Gorman, Principal Analyst, NHS Improvement

The Model Hospital is a nationally available information system providing metrics relating to the productivity, efficiency and quality of care of NHS providers. It helps to identify opportunities for improvement by allowing trusts to benchmark with similar organisations to access learning and best practice. Delegates attending this session will receive:

- An overview of the Model Hospital and the power of peer-benchmarking
- A review of the new features and content including a more detailed insight into the Carter procurement metrics soon to be available
- Insight into how other trusts are using and benefitting from the tool.

(2B) **Working collaboratively – understanding the procurement law issues**

Andrew Daly, Partner, Hempsons

The push is for NHS organisations to work together collaboratively. However, in doing so, NHS bodies should be aware of potential procurement law implications if arrangements are not structured in compliance with the *Public Contracts Regulations 2015*.

Andrew will provide an interactive session exploring the key procurement issues when setting up in-house companies, in particular jointly with other organisations, as well as establishing shared services arrangements. The session will cover the legal requirements and the consequences of a failure to correctly establish these organisations. The session will also address whether existing contracts can be varied to take account of any new arrangements, and where procurement law issues could arise.

(2C) **Delivering savings and better outcomes to support transformational change: Examples of how to access new medical equipment and technology solutions and to deliver long term savings**

Andy Brown, CEO, & Dr John Sandham, R&D Director, TBS GB Ltd

It is internationally accepted that technology can deliver transformative change. The NHS spends billions on medical equipment, but more than 50% has past its recommended life. The capital funding model is not achieving a modern equipment asset base and NHS capital funds are reducing by £3bn over the next 3 years. The NHS needs a new sustainable model for updating its medical equipment.

TBS GB discuss how substantial long term cost reductions, efficient services, reduced risk and better outcomes can be achieved by adoption of asset management processes developed widely by other industries.

14:10 **Change workshop**

14:15 - 15:00 **WORKSHOP SESSION 3** *Please choose one of the workshop choices listed below*

(3A) **Service Consolidation: shared services and collaborative hubs**

David Lawson MCIPS, Chief Procurement Officer, Guy's & St Thomas' NHS FT, Sharon Robson MCIPS, Director of Procurement, Lancashire Procurement Cluster & Jim Forsyth, Head of Procurement, Hertfordshire NHS Procurement

This session will critique the current move within STPs towards setting up procurement shared services. The session will set out the 'case for change' (why now), the common areas of focus (category management, common systems, supply chain), the role of 'local' procurement in relation to the various 'national initiatives' and reflect on relative risks that need to be managed to ensure benefits are achieved (people, governance, change management).

(3B) **Spreading procurement innovation: what do finance need to know about the National Procurement Forum?**

Ben Shaw, Assistant Director of Finance & Procurement at University Hospitals of Leicester NHS Trust

Through the National Procurement Forum, NHSI is working across the whole service to identify and share innovation, improvement and best practice. The aim is to accelerate the adoption of ideas to improve value for money, efficiency, services and patient outcomes and achieve the £700m savings identified by Lord Carter. This session will give an overview of the programme, its aspirations and early successes - highlighting new emerging best practice. In addition, Ben will outline the opportunities for trusts to get involved and share from the learning.

(3C) **The next five waves of procurement CIPs**

Richard McIntosh, Managing Director, Procura Consulting

NHS procurement lags way behind the sophistication of procurement in other sectors. Whilst Carter and the NHSI strategy have begun to address some spend areas, this is only the start. Looking forward at the next five waves for CIP this session will consider:

- Addressing all non-pay spend – services, strategic spend and 'untouched' areas
 - Getting and keeping spend under control – supplier and contract management
 - End-to-end supply chain – making receipt, distribution and internal logistics efficient
 - Collaboration through STPs – leveraging economies of scale
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- Make or buy.

15:00 **Exhibition, networking and refreshments**



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