



Spring 2013

Providing procurement and commercial expertise



With the new NHS landscape beginning to settle down into a new structure and new relationships forming, we are looking to work closely and successfully with both established and emerging organisations. As part of this change, NHS Commercial Solutions is delighted to now be providing procurement and commercial expertise across the southern region, including working with Kent and Medway CSU and the Area Teams across the wider southern region. In addition we also welcome Solent Supplies, Solent NHS Trust, University Hospital Southampton NHS Foundation Trust and Southern Health NHS Foundation Trust as new NHS Commercial Solutions customers.

The Department of Health and Sir Ian Carruther's team have been working on an NHS Procurement Strategy which will have a number of key themes. These include the adoption of standards of procurement and dashboard metrics, data transparency and benchmarking, and the establishment of a NHS Procurement Academy focused on people and skills development. This will provide a great opportunity for the development of procurement professionals in the NHS, and ensure sustainable procurement and commercial support essential in continuing to deliver benefits and efficiencies which are so fundamental to the NHS at this time.

Alyson Brett, NHS Commercial Solutions Chief Executive

New Focus for Mental Health and Community Health Trusts

In 2012 NHS Commercial Solutions' Sue Wareham took on the role of Mental Health and Community Engagement Manager for the NHS Commercial Alliance, as part of its drive to increase benefits for mental health and community health trusts.

Sue is involved in a dedicated forum for these groups which brings together key staff from the trusts across the south and east of England. The forum is not only a way of engaging trusts in current projects and take up of framework agreements, but as an important source of information and knowledge sharing. The forum is

very much a joint venture between the procurement organisations and the trusts and the feedback from the trusts is that the forum is useful, up to date and a key networking opportunity. The forum is not restricted to procurement professionals and is often attended by trust finance and commercial directors.

Sue is looking at both new and existing opportunities and working with the NHS Commercial Alliance teams and trusts to ensure that the trusts' needs are met. If you wish to discuss how the Alliance could help your trust, please get in touch.



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New Document Storage Framework Awarded



Following a rigorous procurement process, in which we were assisted by Kent Community NHS Trust and the Kent Primary Care Agency, NHS Commercial Solutions has appointed five suppliers to a framework agreement to provide;

- Secure document storage and retrievals services (Lot 1); and
- Bulk document scanning services (Lot 2).

Records management practices across NHS trusts and other organisations vary greatly; some organisations maintain an on-site records storage facility, whilst the majority store documents with third party providers at off-site locations. Traditionally, organisations that use off-site storage do so through contracts that have grown, in terms of expenditure, as more records are generated and stored. It is often more economical to continue storing time-expired documents than to permanently dispose of them. This has led to organisations having more than one contract for the same service and this, in turn, has made records management more difficult.

In procuring this multi-supplier framework agreement, NHS Commercial Solutions provides trusts with a range of suppliers with the capability to provide secure document storage and retrieval services and, under a separate lot, bulk scanning services.

In developing the specification for the document archiving, we were keen to ensure that the service delivers:

- significant service improvements, namely
 - supplier accountability
 - applicable service level agreements
 - cost transparency and control

- reduced and consistent costs
- security of documents in transit and storage

The bulk document scanning services lot is, primarily, for organisations deploying electronic document management systems (EDMS) where there is a requirement to import high volumes of historical records into the system. This is not, as a rule, considered to be an economic implementation of an EDMS; the cost of scanning large volumes far outweighs the cost of storage and retrieval but where specific records are known to be required within the EDMS, bulk scanning is more economic than a scan-on-demand service.

The framework agreement, which is available to all NHS organisations in England, was awarded to the following suppliers in two lots.

Lot 1 - Secure document storage and retrievals services:

- Box-it
- Crown Records Management
- DeepStore
- Restore
- TNT

Lot 2 - Bulk document scanning services:

- Box-it
- Crown Records Management
- Hugh Symons

NHS Commercial Solutions recommends that organisations work with them to carry out a further competition against trust-specific requirements and volumes to obtain the most benefit from the agreement.



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Surgical Stapling and Laparoscopy Consumables

The framework for surgical stapling and laparoscopy consumables was recently re-tendered and awarded. The new framework covers a south east region combined spend of £7m per annum.

The scope of the agreement was extended for the new tender and now includes surgical haemostatic / energy based products which were originally covered by a separate agreement. There are 18 suppliers on the framework covering eight category areas which are:

- Surgical Haemostatic (Vessel Sealing) Devices - includes: Ultrasonic Scalpels / Advanced Bipolar Energy Devices
- Internal Stapling Devices and Replacement Loading Units
- Disposable Clip Appliers and Replacement Loading Units
- Disposable Endoscopic Surgical Staplers and Replacement Loading Units
- Disposable Endoscopic Clip Appliers and Replacement Loading Units
- Disposable Trocars and Trocar Systems
- Disposable Laparoscopic Instruments
- Accessories and Hernia Repair

The agreement is accessible to all NHS organisations in England and provides opportunities for change management and commitments, offering additional saving benefits for trusts.

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e-Enablement Update

NHS Commercial Solutions has been working with Southern Health NHS Foundation Trust on a standardisation and rationalisation project to control and track expenditure with a key supplier.

The objective was to make key items available to requisitioners whilst restricting the entire supplier catalogue.

The project involved analysing previous purchasing activity to create e-class categorised catalogues that can be managed and updated easily.

The e-class categorisation of catalogues also enables the trust to track expenditure by category and presents some benchmarking opportunities.

For more information on both these stores, please contact

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Bravo e-Tendering User Group Success

NHS Commercial Solutions has been running successful Bravo e-tendering user groups every quarter for the last 12 months.

There are currently representatives from 11 trusts in the NHS South of England (East) region attending the user groups and they include Heads of Procurement, Procurement and Contract Managers.

The main objective of the user group is to share knowledge and best practice in e-tendering and contract management to ensure that we make best use of the systems in this field.

We also discuss current trends in the Public sector as well as our experiences in running and completing robust e-tendering projects.

For details on the next Bravo User group, please contact Doreen Menya.

New Specialist Procurement Pharmacist Joins NHS Commercial Solutions

Maggie Dolan has joined NHS Commercial Solutions as our new Specialist Procurement Pharmacist. In her new post, Maggie's main aims are to support the cost effective purchase of safe and effective medicines across the trusts in the south east region, working with the secondary care pharmacy teams and with the pharmacy commissioners.

Maggie is also looking to develop pharmacy networks to support collaborative working across the south. She is currently drawing up a workplan of projects to take forward to investigate contracting opportunities in pharmaceuticals.

On her new role, Maggie said "I am enjoying my new post and broadening my existing understanding of the NHS from working solely in the NHS in Scotland to the NHS in England. Many of the challenges are the same as my previous post but the delivery model is very different."

Maggie is a qualified pharmacist and has previously worked as a Chief Pharmacist for the NHS in Scotland in both adult and paediatric hospital settings. Her most recent post was as the Pharmacy Advisor for National Procurement, National Services Scotland where she was responsible for advising on medicine contracting, patient access schemes and pharmaceutical emergency planning.



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Six Facet Surveys Framework Award

NHS Commercial Solutions has awarded a new framework for Six Facet Surveys.

These surveys are a statutory requirement for all trusts and can help with carbon reduction, energy efficiency and maintenance costs.

NHS Estatecode provides guidance to NHS organisations on effective estate management. Trusts need to have a thorough understanding of their land and property assets and six facet surveys provide this information and is the basis for an Estatecode land and property appraisal. From the information provided by the survey, trusts can calculate the costs of maintaining their estate at an acceptable level and where opportunities for adaptation and rationalisation lie.

The six facet surveys framework has been awarded into one lot to cover the following:

- Facet 1 - Physical Condition Survey (Fabric & M&E)
- Facet 2 - Statutory Compliance Audit (inc. Fire)
- Facet 3 - Space Utilisation Audit
- Facet 4 - Functional Suitability Review
- Facet 5 - Quality Audit
- Facet 6 - Environmental Management Audit



The companies awarded onto the framework are Capita Symonds, GVA Grimley, Oakleaf Surveying Ltd, QMP and Rund Partnership Ltd. Award can be made by direct award to the highest scoring supplier at the framework award stage or, for potential further savings, trusts can work with NHS Commercial Solutions on a further competition.



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New Framework for Analysis & Reconciliation

NHS Commercial Solutions, as part of the NHS Commercial Alliance, has awarded a new framework for analysis and reconciliation. This is providing trusts with a wide range of benefits including improved rates on previous frameworks, immediate cash savings on a 'no win no fee' basis and the opportunity for even greater savings through further competition.

Additional benefits include:

- Enhanced operational control and efficiency
- Provision of high value audit reporting over payment and purchasing operations
- Provision of key performance metrics and benchmarking
- Reduced time and effort required for tendering any of the services under this agreement
- Provision of a fully EU compliant framework
- Consistent terms and conditions of contract

Despite purchase to pay controls and invoice approval processes, errors in suppliers' charges for services and goods are often undetected, resulting in unnecessary and wasted expenditure. This new framework aims to address these issues and ensure that the following are avoided:

- Application of rates outside of the contractual agreements
- Miscalculation of, or failure to apply, discounts or rebates
- Duplication of charges or invoices
- Erroneous management fees or margins
- Inappropriate or overstated third party costs
- Service credits not being paid

This framework includes a number of providers who will identify sources of lost cash; conduct audits of categories of spend; recover overpayments; provide benchmarking information on performance; and provide recommendations and improvements for sustainable savings.

A number of trusts benefited from the previous framework. Under Estates (Lot 4) one trust received a refund of over £265k for a four year period after successfully challenging the building business rate set. Under utilities (lot 2) savings have been made by two trusts. When wastewater allowances were



reviewed and retrospective charges applied, one trust challenged the water supplier and reduced the rate by around £180k. Another trust identified an excessive water usage and further investigation revealed a considerable water leak. Upon reducing the leak, savings of over £50k per year were made on the trust's water bill.

This framework has been structured to incorporate eight lots, which are:

- Lot 1: Telecommunications
- Lot 2: Utilities
- Lot 3: VAT
- Lot 4: Estates
- Lot 5: Accounts Payable
- Lot 6: Temporary Staffing
- Lot 7: Payroll
- Lot 8: Managed Solution

Access and award against the framework can be by direct award with the winning bidder in each lot or by mini competition to further improve the fees charged. For further information, and for a list of the companies under each lot, please contact Philip Spicer.



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Managed Equipment Services Framework Attracts Interest

NHS Commercial Solutions is experiencing an increasing level of interest in its 'Managed Equipment Services' framework which covers diagnostic imaging, radiotherapy and cardiology equipment.

The framework has been awarded for a four year period and aims to provide a flexible framework that can be adapted to suit individual hospitals' needs. The intention of the framework is to ensure that trusts' medical devices and equipment are used in the most effective manner to support key clinical, operational and strategic priorities.

The framework will provide clients with a wide range of services including:

- Managing, maintaining and improving medical assets ensuring clinical safety and effectiveness
- Supporting the provision of a comprehensive maintenance and technical service that promotes best practice and value for money
- Ensuring the equipment can be operated as efficiently as possible, with the lowest downtime possible

Also included within the scope of the framework are any services, consumable and durables that form an essential and intrinsic part of assuring the effective management, control, operation and interoperation of diagnostic imaging, radiotherapy and cardiology equipment.

One trust is going through the final stages of contractual agreement of a 10 year contract, whilst another is finalising the details of their Invitation to Tender. Both trusts recognise that there is a huge savings potential from adopting this approach.

The framework is split into three lots:

Lot 1 - multi and/or single life cycle managed equipment services including provision, as and when necessary, of turnkey solutions.

Lot 2 - manufacturer based maintenance services on an aggregated managed maintenance basis

Lot 3 - professional, clinical and technical advice on medical equipment and advice on appropriate audit and service redesign

Five companies have been awarded to each lot and these are Asteral, GE, Medipass, Philips and Siemens. This is a complex piece of work for any trust who expresses an interest in following this path, but this can lead to huge savings for the trust. NHS Commercial Solutions is here to help trusts through the process.

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NHS Commercial Solutions Partners with HAPPI

NHS Commercial Solutions is a partner in the HAPPI project (Healthy Ageing - Public Procurement of Innovations), a European project aimed at linking together organisations involved in public sector health procurement in order to identify innovative and sustainable products and solutions to help people age well. Life expectancy is growing all over Europe, significantly increasing the cost of healthcare, and the European Commission has defined the theme of 'ageing well' as a priority in its strategy for 2020.

Innovation in ageing well doesn't currently have a high profile but the HAPPI project aims to change this. Healthy ageing is an increasingly important area for healthcare organisations, for manufacturers and suppliers; and for the general public.

Ultimately, the HAPPI project aims to put in place procurement contracts which will be available to

healthcare organisations. An online tool for suppliers and manufacturers to submit information on their innovative products and solutions will be launched in September.

www.happi-project.eu provides manufacturers, suppliers and healthcare organisations with detailed information on the project, its objectives, milestones and members. The HAPPI project website offers opportunities for industry and healthcare professionals to keep informed about the project and key events, starting with four information days, to be held in major European cities from September 2013, starting in London. The HAPPI project also has a twitter account - follow the project at www.twitter.com/HAPPI_Project

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