

Delivering clinically
assured products at
best value for eight
London trusts

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Foreword



NHS Supply Chain are primarily known as a key part of the NHS procurement community. They've historically been regarded as a large purchasing and logistics organisation dealing with over 930 suppliers, over 16,000 locations and 35 million lines of picked goods to the NHS in England annually. They have a reputation for not just removing duplication of effort and overlapping contracts but also negotiating best value and saving trusts time and money. What is less well known is the key role that NHS Supply Chain can play in helping trusts, individually and collectively, evaluate what

suppliers have to offer to ensure clinically assured products that contribute to safe patient care. In performing this role, they can help trusts understand and assess what's available in the marketplace and maximise solutions for their local area.

As we navigate a difficult financial landscape, it is becoming increasingly important for trusts to not only get best value for money but to find procurement solutions that work for their broader localities and populations at system level. NHS Supply Chain are already working effectively in this area and plan to develop this approach further with Integrated Care Systems. Their approach is aptly demonstrated in the case study in this document which involves a network of clinicians from eight south London trusts. Effectively utilising the expertise of NHS Supply Chain, clinicians from the eight trusts worked together to evaluate and agree which cardiac intervention devices they should collectively procure as the best product for all their patients care needs.

As part of the NHS Providers Connect programme, NHS Providers is keen to work with suppliers who can provide our trusts with solutions to some of their key operational challenges while helping them achieve efficiencies. We deliberately only work with a small number of organisations whose solutions have proven benefit. We are therefore pleased to be working with NHS Supply Chain, the NHS's supply chain partner of choice and already part of the NHS family, as it evolves its offering in the new system landscape.

I hope this case study gives you a good idea of how working with NHS Supply Chain can help you think differently about procurement and deliver excellent patient care through innovative partnership working.

Best wishes,



Saffron Cordery

Interim Chief Executive, NHS Providers

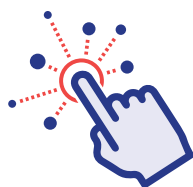
Business impacts



Clinically driven, cross-site procurement



Projected net savings of £1.1 million



Removed unwarranted variation



Preservation of product choice



Access to innovation and research

Who are NHS Supply Chain?

NHS Supply Chain are part of the NHS family and manage the sourcing, delivery and supply of healthcare products, services and food for NHS trusts and healthcare organisations across England and Wales.

Managing more than 7.7 million orders per year, across 129,420 order points and 16,705 locations, NHS Supply Chain systems consolidate orders from over 930 suppliers, saving trusts time, money and duplication of overlapping contracts. It delivers over 35 million lines of picked goods to the NHS in England annually.

The operating model leverages the buying power of the NHS to drive savings and provide a standardised range of clinically assured, quality products at the best value through a range of specialist buying functions. This will ensure that crucial savings are circulated back into the NHS where they are needed most.

The model consists of specialist buying functions, known as Category Towers, delivering:

- clinical consumables
- capital medical equipment
- personal protective equipment
- non-medical products such as food and office solutions.

This is underpinned by two enabling services for logistics and supporting technology.

Clinical expertise runs through the whole of the organisation, with clinical colleagues working collaboratively with procurement specialists both in the Category Towers and the central team.



Case study: clinical partnership with South London trusts

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In 2021, the South London Cardiac Operational Delivery Network (ODN) saw an opportunity to leverage an existing regional collaborative and partner with NHS Supply Chain on a collective approach to identify the optimal devices for Cardiac Rhythm Management (CRM) to deliver safe patient care which provide the best value. The CRM heart care specialism features a range of small, battery powered devices that invisibly monitor and regulate heart rhythms around-the-clock to prevent sudden cardiac death or other cardiac-related issues.

Working with NHS Supply Chain's cardiac specialist team, the ODN had already undertaken clinician-led engagement back in 2019 to reduce costs and variation in devices used for percutaneous coronary intervention (PCI). That initiative resulted in over £1.3 million of projected savings per year for the trusts involved, standardised clinical practice, and the preservation of product choice and protection of supplier value-adds.

With the trusts in the ODN already committed to a collaborative approach to procurement, this provided NHS Supply Chain with access to an existing network of clinicians to enable the establishment of a clinical council to assess these CRM products.

The objectives:

- to remove unwarranted variation across Cardiac Rhythm Management
- to understand the best clinical choice of product for safe patient care
- to create a saving for the trusts.

With an annual CRM spend of £13.1 million the eight trusts involved were:

- Croydon Health Services NHS Trust
- Dartford and Gravesham NHS Trust
- Epsom and St Helier University Hospitals NHS Trust
- Guy's and St Thomas' NHS Foundation Trust
- King's College Hospital NHS Foundation Trust
- Kingston Hospital NHS Foundation Trust
- Lewisham and Greenwich NHS Trust
- St George's University Hospitals NHS Foundation Trust.

A Clinical Council is a process whereby clinicians work collectively to review current usage of devices and opportunities to optimise this, with data being key in the decision-making process. Although this is facilitated by NHS Supply Chain, it's the clinicians that lead the process and direction throughout. Once the Council has concluded, a specification of requirement is then taken out to market, underpinned by clinically backed commitment.

A clinically evaluated approach

NHS Supply Chain was invited to bring in their specialist cardiac products group to assist the ODN and use a transparent, evidence based Clinical Council approach to:

- identify optimal devices for patient care
- shape clinician consensus
- deliver a cost-saving procurement exercise.

Whilst NHS Supply Chain facilitated and guided the process, each part of the evaluation process was decided on by the cardiology consultants forming the Clinical Council. Emphasis was placed on clinical data and the criteria supplied. The council evaluated the pros, cons, and impacts of various procurement strategies, considering the starting points of the eight trusts.

At their final meeting, the council reviewed enhanced data from NHS Supply Chain, which clarified current device usage against the existing National Pricing Matrices (NPM) and modelled the cost impacts – by each trust and for the ODN – of potential market share commitments and added-value options.

On the strength and integrity of this analysis, the Clinical Council made a final commitment to combine market share buying using NPMs, with preserved added-value benefits already being provided by suppliers.

Suppliers were consulted throughout and these relationships have proven to be significant to the success of the process. The project was explained to participating suppliers and communication kept open throughout. Collaboration, especially during the clinical evaluation process was vital.

Challenges

This project had many complexities and challenges since this was a multi-million-pound, multi-trust tender project which had cross over with the national High-Cost Tariff Excluded Devices (HCTED) programme.

The CRM category encompasses devices covered for payment in-tariff, as well as others covered by commissioners under HCTED. Introduced in April 2016, the second phase of the NHS England programme is now known as the Specialised Services Devices Programme or SSDP (formerly known as the HCTED programme). It is designed to optimise device choice across the identified categories to enhance patient outcomes, improve value and deliver cash releasing and commissioner savings.

Delivering value to the South London trusts

This clinically led compliant procurement exercise has achieved projected net savings of £1.1 million throughout the two-year term with the option to extend.

Approaching the market via the ODN was an optimal way to achieve this result both for trusts and suppliers. Commitment by CRM clinicians in eight regional trusts to a purchasing contract is a significant change. The formal and transparent Clinical Council process signalled market share commitment to suppliers. In return, suppliers offered savings and protected value-adds for trusts.

The need for flexibility was important to maintain to ensure clinicians have access to new technology. The decision of the CRM clinicians to keep 10% “open” for innovation means they retain funds to acquire new technology for the duration of the contract, regardless of supplier. NHS Supply Chain has committed to manage this contract for the duration of its life and to maximise the future savings potential. The team will keep the commitments made by the trusts aligned and manage the supplier relationships throughout the duration of the contract.

“This collaboration has produced enormous benefits, both for patients and the health system. By working together as a network, we have unlocked significant savings that can be used for future innovation and investment. We have also uncovered resource efficiencies through an aligned, cross-site procurement process. Perhaps most importantly, however, is the pooled expertise of South London colleagues to ensure consistent, evidence based clinical practice for all of our patients.”

Alice Ward, Cardiovascular Network Manager,
Guy's and St Thomas' NHS Foundation Trust

Moving forwards

To support all parties' continued compliance, as well as to set checkpoints to validate value to the trusts, industry and NHS Supply Chain oversee the CRM agreement for its multi-year duration. Quarterly contract review meetings with current spend and utilisation data include clinicians, suppliers, and business leaders and are facilitated by NHS Supply Chain.

The success of the Clinical Council approach to clinical and business collaboration on procurements signifies new ways of working. The South London ODN is eager to begin a third Clinical Council project – in intervention radiology. Other clinical specialisms, and other areas of England, are adopting this approach. Work has begun in Devon and Cornwall and in Oxford. They are being supported by subject matter experts and the enhanced analytics of NHS Supply Chain.

A Clinical Council approach also supports the development at the national level, of Integrated Care Systems (ICSs). As ICSs consolidate more procurement at a regional level this will enable further opportunities to amplify the potential of initiatives such as this one across England.

Conclusion

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NHS Supply Chain is part of the NHS family and is evolving its services in line with the needs of the NHS in a sustainable way. A significant investment is being made in transforming NHS Supply Chain's infrastructure and systems to make them fit for the future and to enable more agile ways of working.

In common with other healthcare organisations, NHS Supply Chain has learnt lessons over the past few years during the COVID-19 pandemic and has put in place measures to increase the resilience of its supply chain which serves every NHS trust. It is committed to building resilience and performance across the supply chain by continuing to invest in key tools and capacity.

NHS Supply Chain is committed to supporting NHS trusts to deliver safe and excellent patient care by continuing to build a service the NHS values as well as making it easier for trusts to work with the organisation. Through engagement activities and listening to feedback, it will ensure that the needs of the NHS are prioritised throughout its entire supply chain. In addition to the work with NHS trusts, NHS Supply Chain are keen to explore opportunities to work with collaboratives of trusts and ICS's to enable collective procurement opportunities with the involvement of clinicians, to deliver safe patient care while providing value.





NHS Providers is the membership organisation for the NHS hospital, mental health, community and ambulance services that treat patients and service users in the NHS. We help those NHS foundation trusts and trusts to deliver high-quality, patient-focused care by enabling them to learn from each other, acting as their public voice and helping shape the system in which they operate.

NHS Providers has all trusts in England in voluntary membership, collectively accounting for £104bn of annual expenditure and employing 1.4 million staff.



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