

The NWCCA logo, featuring the letters 'NWCCA' in a large, bold, black, sans-serif font. The letters are positioned above a horizontal pink-to-white gradient bar. Below the main text, there is a faint, semi-transparent reflection of the 'NWCCA' text.

Procurement

The Future Challenges

Peter Akid
Chief Executive, NWCCA

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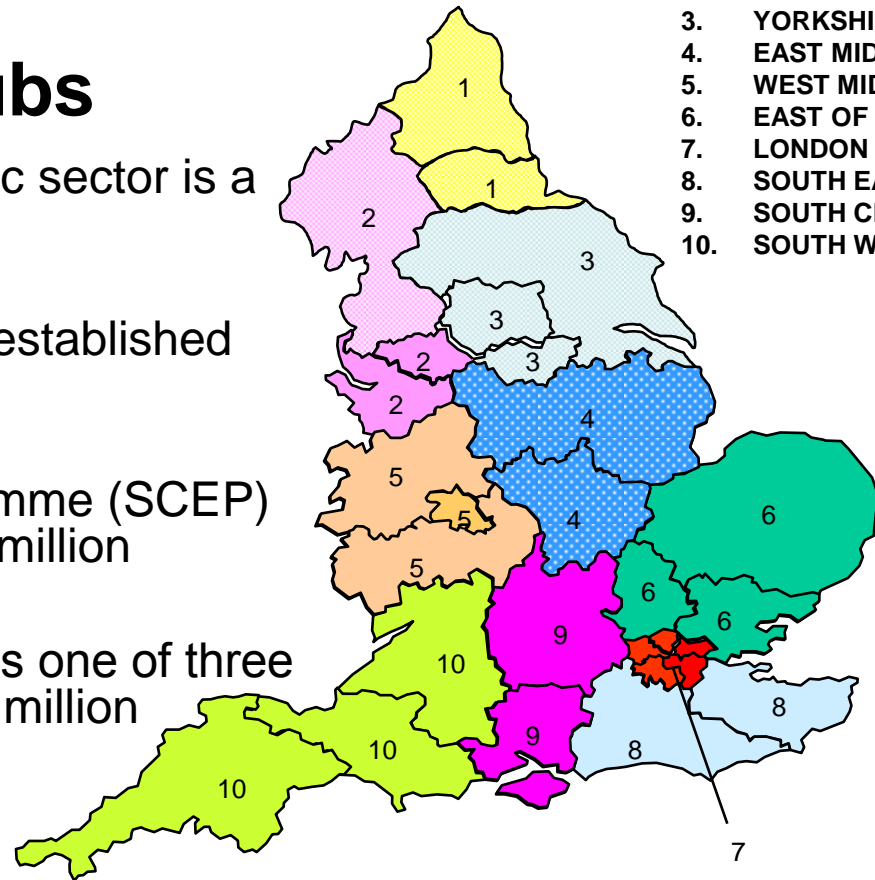
Who are we and what do we do?

NWCCA - Who are we?

NHS Procurement Hubs

- Increasing efficiency in the public sector is a key priority (Gershon review)
- Commercial Directorate (DOH) established 2003
- Supply chain excellence programme (SCEP) launched in 2004 – target £500 million
- Collaborative Procurement Hub's one of three key work streams – target £270 million
- NW CPH (formally GM) one of three “pathfinder” hubs

1. NORTH EAST
2. NORTH WEST
3. YORKSHIRE & HUMBER
4. EAST MIDLANDS
5. WEST MIDLANDS
6. EAST OF ENGLAND
7. LONDON
8. SOUTH EAST COAST
9. SOUTH CENTRAL
10. SOUTH WEST



NWCCA - Who are we?

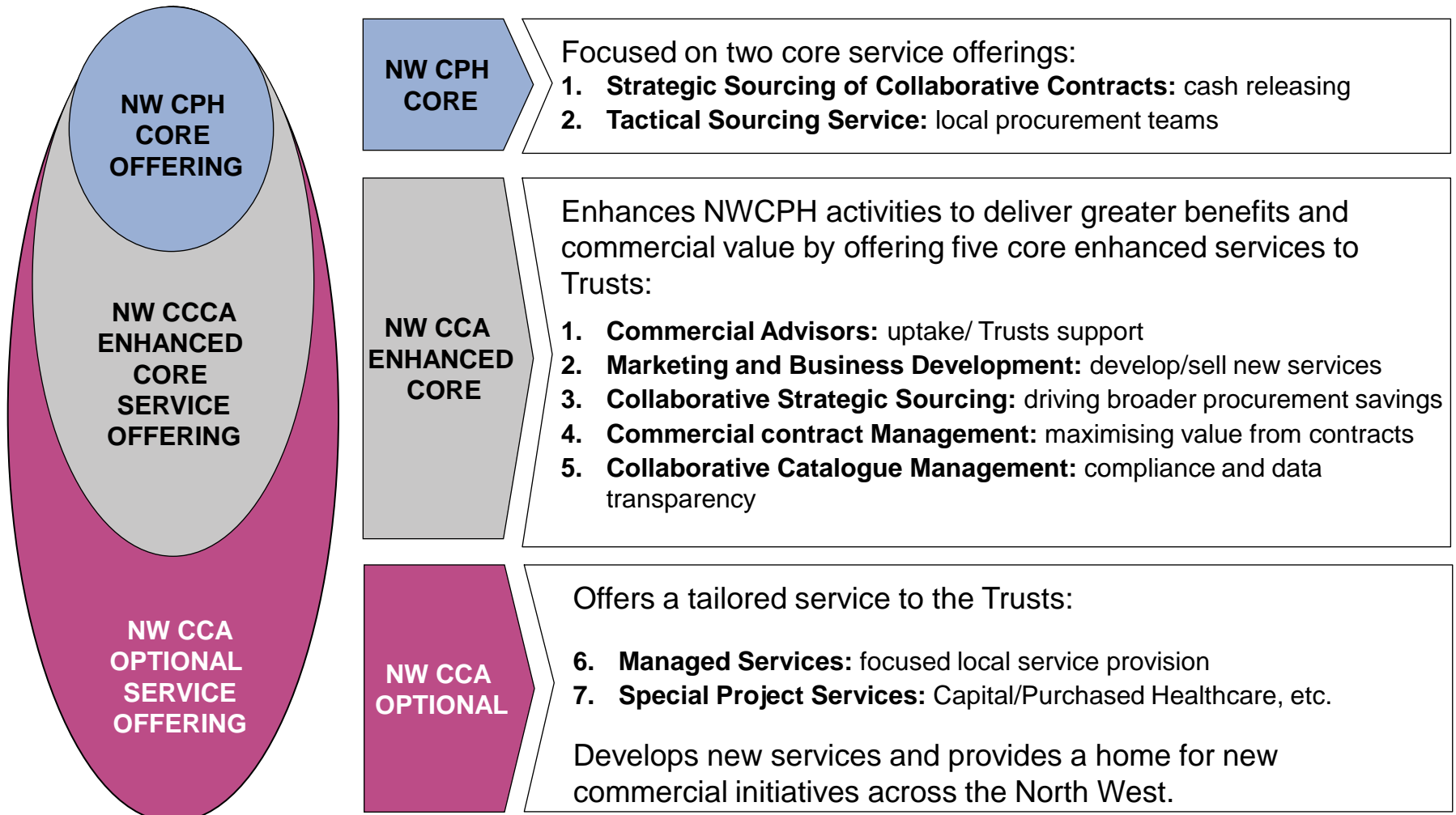
ORGANISATION

- The Commercial Procurement Agency for the NHS NW
- Established 1st June 09 (formerly NW CPH)
- 48 User Member Trusts of which 5 are founding members
- An NHS organisation hosted by SRFT
- Delivered £110m of cash releasing savings to date

FEATURES

- Be the guardian of the NHS Commercial Interest
- Significantly upgrade commercial skills and capabilities across the NW
- Supporting Providers and Commissioners
- Manage the Commercial & Procurement process on behalf of our members
- Drive the adoption of standard commercial technologies and tools
- Utilise the NHS purchasing power to meet the required outcomes – to promote and encourage innovation

NWCCA - What do we do?



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Procuring Innovation & Technology

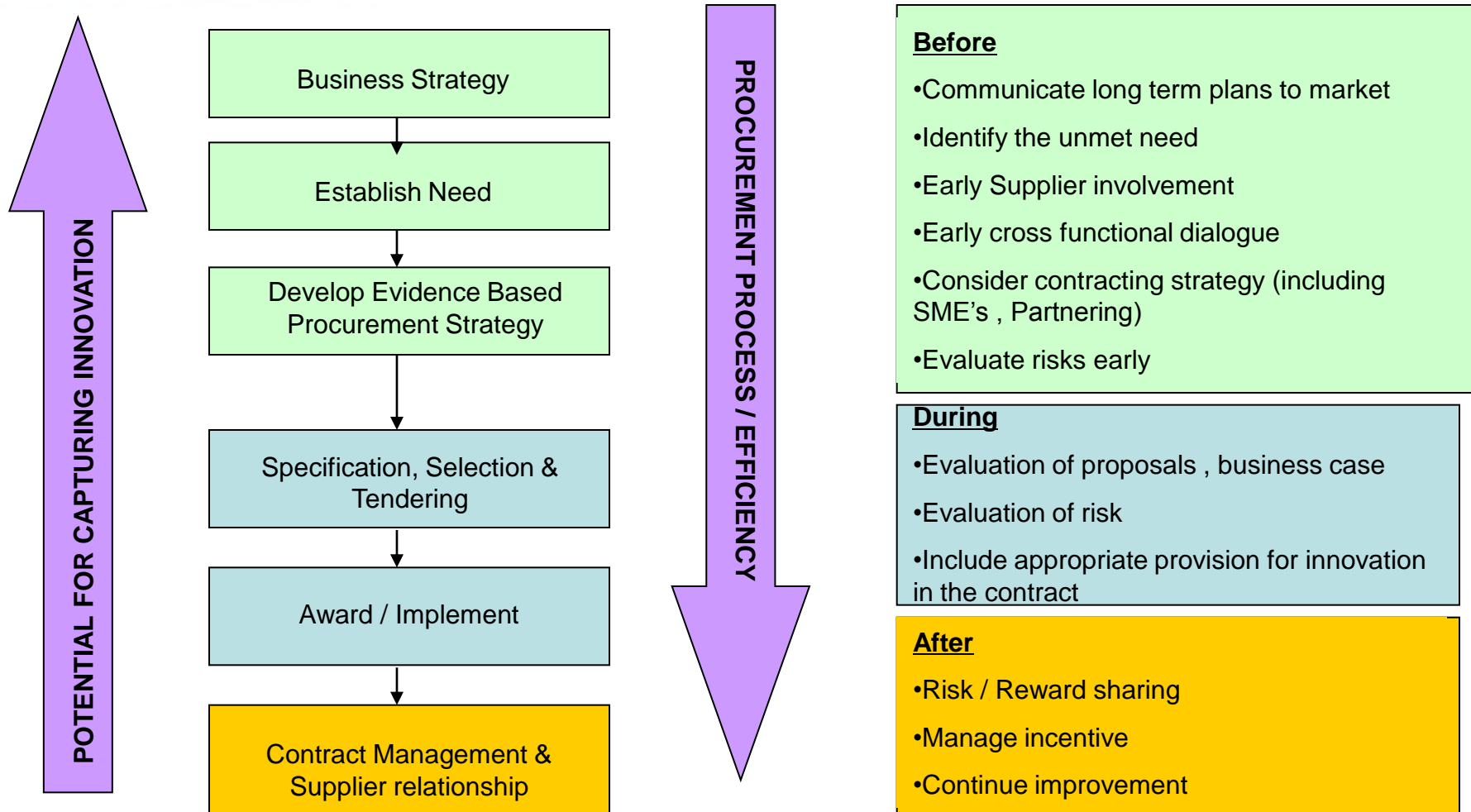
Innovation

“ Innovation in public services is essential to meet the economic and social challenges of the 21st century. For the public sector, innovation is above all about *effectiveness and value for money*. Innovation gives us the potential to create better value for money by contributing to better quality public services, reduced costs and faster achievements of benefits ”

Ian Pearson – Economic Secretary to the Treasury
Lord Drayson – Minister of State for Science and Innovation

NWCCA - Effectiveness

Behaviours



IF YOU WANT INNOVATION & TECHNOLOGY YOU HAVE TO BUY IT!!!!

NWCCA - Value for Money

Changing Landscape

- ★ Financial Climate

- ★ Change of Government

- ★ White Paper
“Equity & Excellence:
Liberating the NHS”
July 2010

- ★ Commercial Skills for the
- ★ NHS
- ★ AWP
- ★ PRCC

- ★ QIPP

- ★ National
- ★ Regional
- ★ Local

- ★ Comprehensive Spending Review

- ★ ALB Review

- ★ Emergency Budget
NHS
Ringfenced???

- ★ Procurement Landscape
- ★ GPH / CSU's
- ★ OGC BS
- ★ PASA – Closed NHS Supply Chain

NWCCA Value for Money

- **White Paper**
 (“Liberating the NHS”)
 - PCTs & SHAs abolished 2013
 - Establish NHS Commissioning Board
 - GP Commissioning Consortia
 - All Trusts to become FTs
 - Is this Independence or Privatisation?

- **QIPP**
 - Savings target £20bn
 - Procurement savings target £1.5bn
 - 40% of spend via 3rd party procurement organisations

Increased awareness and activity
leading to smarter and leaner organisations

NWCCA - Value for Money

Current Issues

- Procurement is low priority in Trusts
- Capacity and capability limitations
- Poor data
- Competing procurement partners
- Inability to take commitment to market
- Proliferation of products and suppliers
- Poor appreciation of enabling technology and governance

Why should it matter to you?

- Non pay = 30-35% operating costs
- Money spent has a financial impact but also Quality, Efficiency & Innovation
- Tariffs likely to be reduced from next year putting more pressure on costs
- 60% of NHS carbon footprint is via its Supply Chains

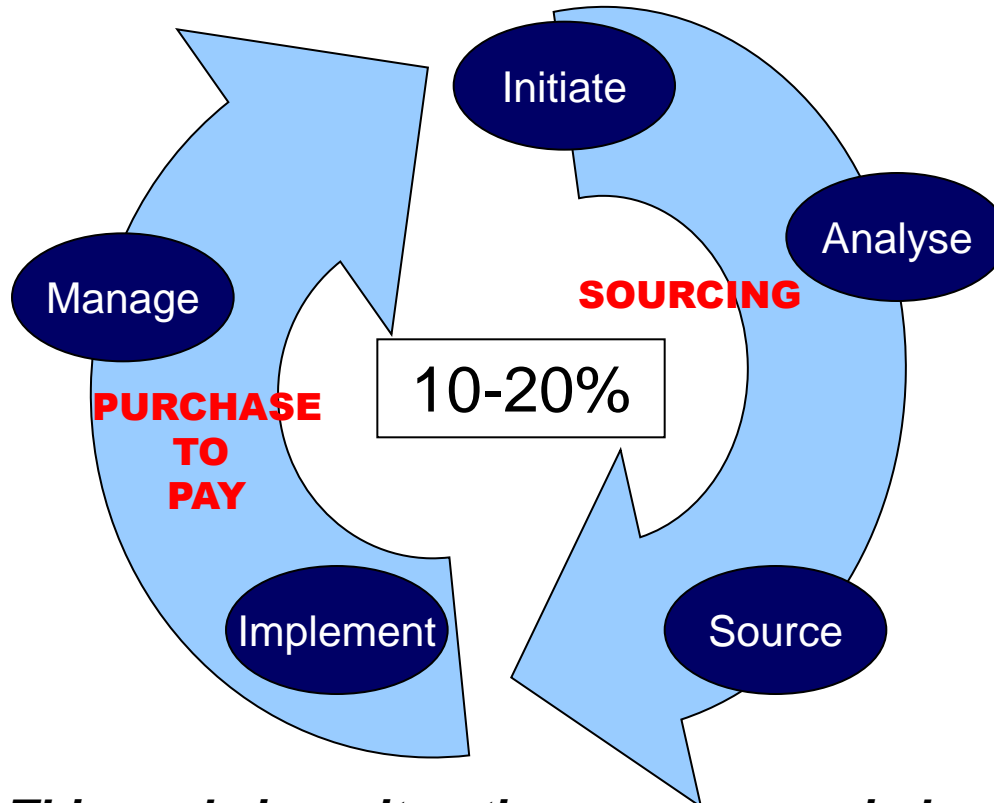
NWCCA ARE LEADING THE NW QIPP PROCUREMENT WORKSTREAM

NWCCA - Value for Money OPERATIONAL PLAN

The building blocks for good INTEGRATED procurement

BUYING

Management Information
+
Accurate **DATA** coding
+
Compliance / Adoption
+
KPI's
•% spend under contract
•PO Coverage
+
E-enablement Catalogues



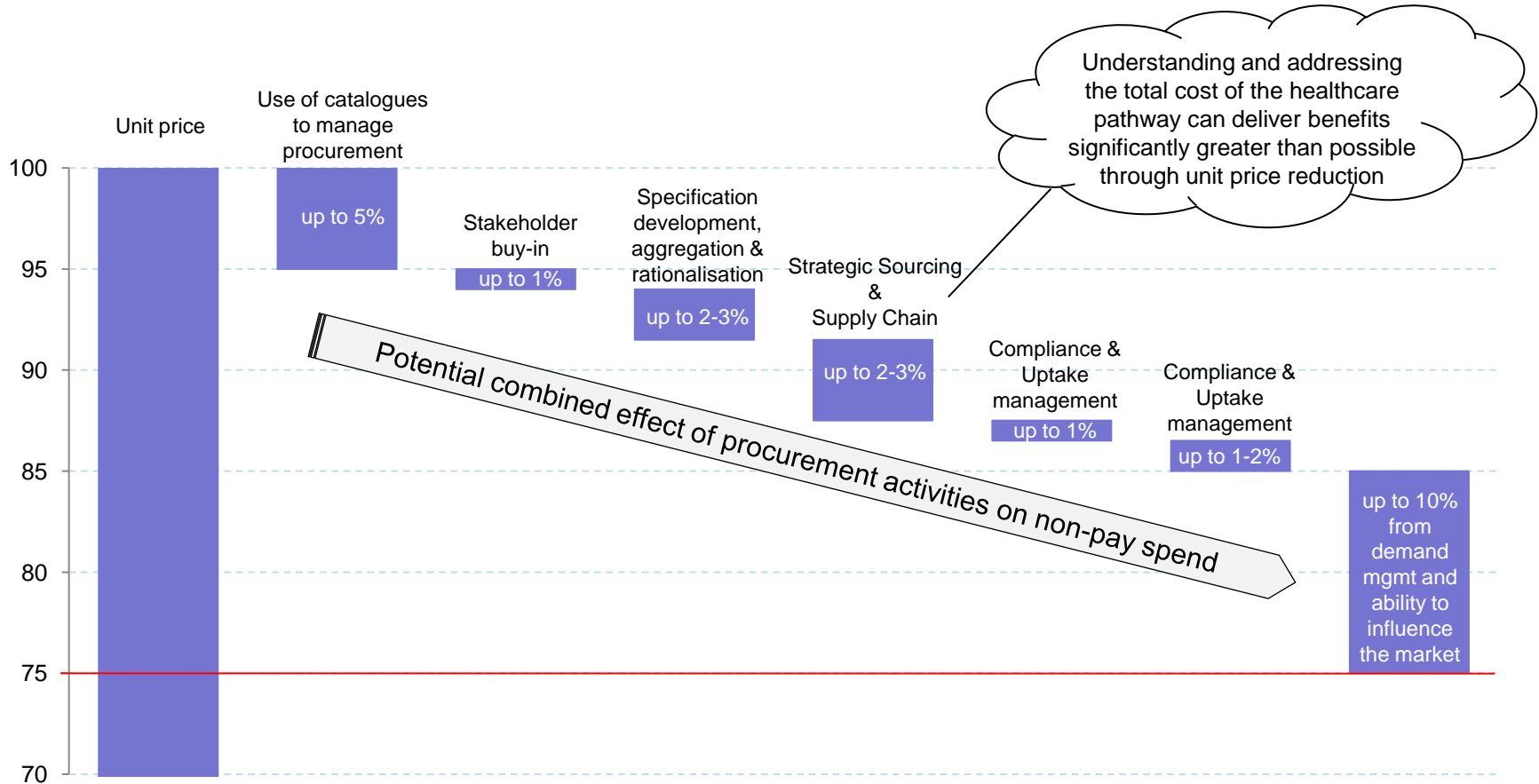
SOURCING

Opportunity
+
Commitment Contracts
+
Aggregation / Rationalisation
+
Common Specifications
+
Sourcing Strategy & Delivery

*This cycle is an iterative process carried out
JOINTLY with Trusts*

FOLLOWING THIS PROCESS JOINTLY WILL DRIVE COMPLIANCE & ADOPTION

NWCCA - Value for Money



NWCCA - Value for Money

NWCCA Approach

■ THE STRATEGIC ADVANTAGE PROGRAMME

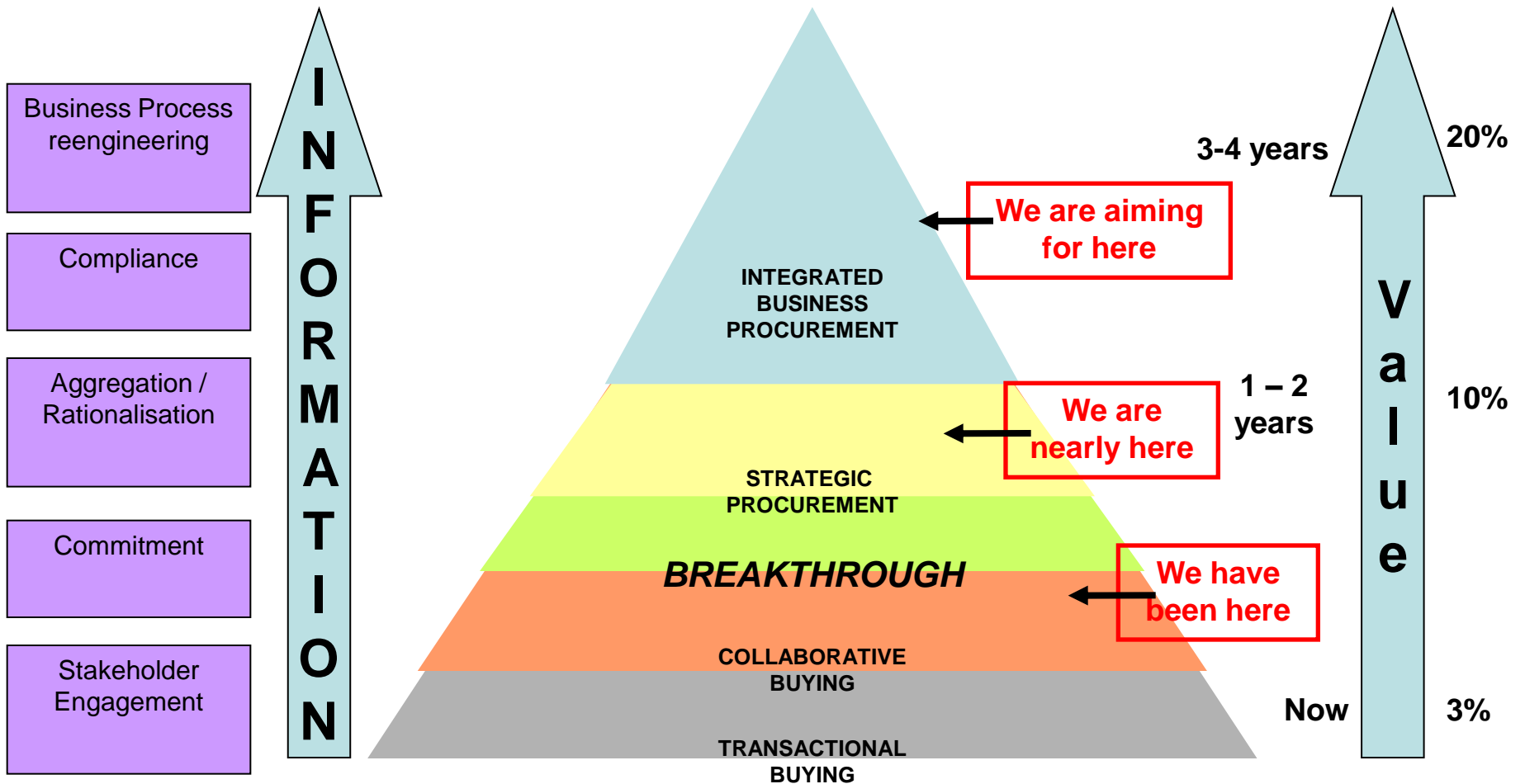
RULES OF ENGAGEMENT - MANDATORY

- Commitment to contract rather than frameworks
- Trust buy in from Senior Executives / Clinicians
- Standardisation, common specification and rationalisation
- The process will be MANDATORY
- Local plans to ensure compliance – no maverick spend
- Progress to be reported at Trust Board level via KPIs
- All Trusts to impose a supplier engagement policy

This will become BAU

NWCCA

NWCCA Approach



Conclusion

- The NHS must seek to unlock its procurement power
- The greatest potential arises from the earliest stages of the Procurement Process
- Procurement is a powerful enabler that can deliver **QUALITY, INNOVATION, TECHNOLOGY** and **VALUE FOR MONEY** supporting **YOU** to meet clinical and financial targets

**I Hope That Has Been Thought
Provoking?**

Thank you for listening...

QUESTIONS?