



London Procurement
Partnership

London Procurement Partnership Member Pack



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Chair's Foreword

NHS LPP has shown a consistent delivery on Return on Investment with a reported ratio of 18:1. The Board is working with the leadership team to ensure we continue to build on this success in 2019/20. I hope the next few pages will provide you with an update on highlights delivered this year through the workstreams, as well as an overview of our plans for the future.

The Board and I are pleased to welcome Michael Pace, who joined us in October 2018 as Managing Director. A key strategic priority for Michael and the leadership team has been to set a new vision that is responsive to the changing NHS landscape, particularly in procurement. We recognise that our members are facing unprecedented challenges and that there is a need for us to look at new and innovative ways to do things. As a membership organisation, we need to become the strategic partner of choice that can work alongside our members to deliver best outcomes for staff and patients. Michael will provide details of the new vision in his update, as well as his commitment to ensure we continue to deliver value.

The Board has approved the new vision and tasked the leadership team to now build a robust strategy to underpin it. We agree with the leadership team that category management and tailored member support has to be at the heart of what we do, and a key principle that underlines our future strategic direction.

We recognise the ambition in the task ahead. Delivering a new vision requires a solid foundation of talented staff, as well as the extensive knowledge and experience our members bring. Staff who live the vision and, importantly, understand the needs of our members is vital to our service delivery. We continue to provide our teams with the tools to deliver a service our members deserve.

We can, however only do this with support from our members and wider partners. Collaboration is crucial and a key interdependency to the success of this new vision. I invite you to talk to Michael and the NHS LPP team and provide them with ideas and feedback on what you require in your organisation to ensure we are the responsive, commercially astute strategic partner that supports you in your organisational objectives.

Yours sincerely,

John Goulston
Programme Director Capital, Investment and Estate South West London Alliance
Chair of LPP Steering Board





Update from our Managing Director

I am proud of our achievements in, what has been a busy year for NHS LPP. The next few pages will provide you with highlights achieved in this financial year, as well as an update on our future plans.

I want to note a few highlights and achievements in particular. By the end of the 2018/19 financial year, NHS LPP will have contributed to our members' CIPS targets by delivering expected cash releasing savings of **£92m**. We will continue to focus on savings as a key strategic priority in 2019/20.

We have focused significantly on workforce this year, and have recently entered into an alliance with Crown Commercial Service (CCS) through our four-hub collaboration, NHS Procurement in Partnership, to deliver a holistic Workforce Support offer to our members nationwide, to meet the ever-changing Health & Social Care Workforce needs in line with the NHS Long term plan. The offer ranges from diagnostic through to Staff Bank, clinical and non-clinical agency services. Members and suppliers will benefit from this alliance that brings together the wide reach that CCS has in the public sector with our expert knowledge of the NHS.

Our Estates, Facilities, and Professional Services workstream has shown steady growth throughout 2018/19 and is on route to accelerate this growth in the next financial year. In 2019/20 the team will focus on helping members meet the objectives set out in the NHS Long Term Plan.

Our Business Intelligence (BI) team continues to add value through bespoke analysis on Account Payable / Purchase Order data. We have now added a Carter Metrics Dashboard to help trusts meet NHSI objectives set out through the model hospital. The dashboard automatically generates several metrics, using AP/PO data, saving time and duplication.



Update from our Managing Director

Looking to the future, we will continue to build strong relationships with colleagues in the Department of Health and Social Care, NHS England, NHS Improvement, NHS Supply Chain and other key strategic stakeholders. NHS LPP will work as a collaborator between our members and national bodies in support of the wider national agenda.

As John mentioned in his foreword, the leadership team and I are now working in partnership with the Board to develop a future-proof strategy that supports the new vision. The strategy will aim to drive maximum value from current contracts through identifying innovations and supporting members with their own initiatives. Workstreams will be focused on developing category strategies and plans that support members in driving better value for money, and building contract management and Supplier Relationship Management capabilities. We are looking forward to sharing our future plans with members at various planned events, as well as the next NHS LPP Conference.

Yours sincerely,

Michael Pace
Managing Director



Estates, Facilities and Professional Services

What we do

NHS organisations in London alone spend around **£800m** a year on estates, facilities and professional services (EF&PS). Private Finance Initiatives account for a further **£1bn** on spend in this area.

The EF&PS work stream at NHS LPP has developed a number of contracts to help members achieve cost and operational efficiencies. We offer consultancy and support by undertaking mini-competitions on behalf of our members.

We offer a total of eighteen frameworks and Dynamic Purchasing Systems (DPSs), developed with insight from our members, covering a broad spectrum of areas including:

- maintenance services directly related to the building, for example, plant maintenance and building repairs (hard facilities management).
- day-to-day services that keep buildings running, for example, waste disposal, catering, cleaning and security (soft facilities management).
- transport services including patient transport and couriers
- professional services covering legal and property advisors, analysis, reconciliation & audit services to construction design teams and PFI reviews
- construction works including minor building and medium value works up to a value of c. **£5m**.



Estates, Facilities and Professional Services

Key highlights 2018/19

Analysis & Reconciliation Framework

This covers VAT, Accounts Payable, Water, Telecoms, Estates, Temp Labour and Energy and up until Q3 this year our members recovered c. **£6.3m** contracting on a no win no fee basis.

Apprenticeship Training Providers DPS

Developed at the request of Health Education England this agreement helps trusts to make the best use of their Apprenticeship levy. Since launching in 2017, **50%** of London members have awarded contracts, 145 contracts have been awarded overall and c. 7,400 NHS apprentices are now in place. Using the levy translates into **£4.2m** cost avoidance as at Q3 2018/19, in addition to the valuable upskilling and availability of NHS resource.

London Energy Project Water Agreement

Our estates team has worked in conjunction with the **London Energy Project** (LEP) to give you free access to a new water agreement designed specifically for the London market following the deregulation of the supply of water. Even though **95%** of water prices are still regulated, the value of this contract is in the additional services offered: usage analysis and leak detection, for example, which will help trusts to save money by using less. Early estimates suggest that savings of **5%** are achievable for trusts. We now look forward to working with LEP and London's public sector in developing a pan-London energy agreement.

Coming up in 2019/20

We will continue to work with trusts on an individual basis to identify opportunities to achieve the best value as they look to meet the objectives of the NHS Long Term Plan. Our Transport, Waste and FM services agreements will be central to this. In addition, we have created several Dynamic Purchasing Systems (DPSs) rather than frameworks to enable SMEs or incumbents to continue to provide services locally. Later in the year, we will also be launching a new framework for the off-site Decontamination of Surgical Instrument Packs in response to feedback and requests from our Members.



NHS LPP work streams



Workforce

What we do

The NHS LPP Workforce work stream supports members with permanent, as well as temporary staffing requirements.

We work collaboratively with three NHS procurement hubs to ensure we are able to provide a wide range of expert staff. The collaboration, called NHS Procurement in Partnership, have jointly developed the National Clinical Staffing Framework Agreement which provides a range of clinical roles including: -

- Medical and Dental Staff
- Nursing and Midwifery
- Other clinical staff, including Allied Health Professionals and Health Science Staff

We support members with non-clinical staffing requirements through the Crown Commercial Service framework.

Workforce

Key highlights 2018/19

In response to feedback from our members, we have continued to support the Pan-London Bank and Agency Steering Group to achieve its milestones in managing temporary staffing. We have shown significant results through the National Clinical Staffing framework, which is now used by **100%** of our London-based members.

We are also supporting the London Human Resources Directors and Chief Nurses network in a pan-London approach to International recruitment by utilising our new international recruitment framework which goes live early March 2019.

Our members identified the need to benchmark pay rates, identify breaches and understand off-framework spend (which tends to be more costly and high risk). In response, we developed an Agency Spend and Pay-Rate Breach Dashboard which contains over 70 KPIs through the NHS LPP data analytics team. This now provides on-point data to members.

We invited the Metropolitan Police to facilitate a series of workshops to over 122 framework agencies to support them with solutions and ideas on fraudulent documentation. The workshops were very well received and we intend to continue with this initiative in the future.

Coming up in 2019/20

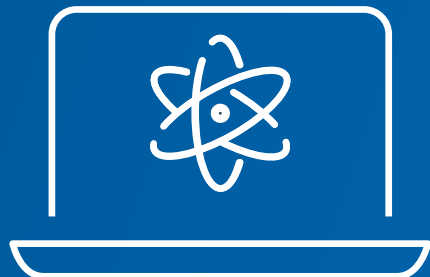
Our focus in 2019/20 is to provide members with a wider portfolio of agency-related offerings in the pipeline, ranging from workforce management through to reduction and maintenance of agency costs.

NHS Procurement in Partnership and Crown Commercial Service (CCS) are partnering to deliver a holistic Workforce Support offer to our members nationwide, to meet the ever changing Health & Social Care Workforce needs in line with the NHS Long term plan. The offer ranges from diagnostic and re-engineering processes, through to technology, Staff Bank and wider-ranging clinical and non-clinical agency services. Suppliers and members will benefit from the wide reach that CCS brings across the public sector as well as the extensive expertise and experience that NHS Procurement in Partnership has in the NHS.

NHS Procurement in Partnership and CCS will work together to perform supplier audits to ensure a continued robust framework of compliant and high performing providers.



NHS LPP work streams



Clinical Digital Solutions

What we do

The Clinical Digital Solutions workstream aims to improve the procurement and commissioning of digital solutions with a key focus on transformational change and driving aggregation. The team supports members with complex, multifaceted technology projects ensuring that the outcome is innovative, efficient and sustainable at a national level.

Clinical Digital Solutions

Key highlights 2018/19

Our all-encompassing Clinical and Digital Information Systems (CDIS) framework has been structured to not only facilitate the procurement of new systems, but also to drive the interoperability of existing systems. The framework was launched in December 2016 and is now being utilised nationally by trusts in conjunction with the wider health and social care economy. It was originally intended to meet the goals of the Paperless 2020 agenda with a futureproof approach designed to enable trusts to be agile within an ever changing digital landscape. This flexible structure marries up seamlessly with the vision outlined in the NHS Long Term Plan. The CDS team have provided bespoke procurement services to sixteen NHS organisations including Trusts, STPs, and LHCRE Partnerships in order to align their digital strategy with vital clinical transformation across 2018/19.

We work with Trusts to align their procurement strategy with their clinical pathway transformation goals through stakeholder engagement workshops. We recently tailor designed stakeholder workshops for a mental health trust in order to map out their As-Is system processes with the aim of developing their To-Be strategy for an EHR/Clinical Portal solution for an Out of Hospital Service.

The team is in the process of running an STP wide further competition for a Managed Print Service to enable their paperless 2020 transformation programme. They're also working in close collaboration with a LHCRE Partnership to facilitate a tender for a countywide citizen record platform. Both projects will have a profound impact on wider population health through improved data integration and joined up care leading to more efficient early intervention and ill health prevention.

Coming up in 2019/20

The team will be launching a further two frameworks this year, including a new Information Management & Technology (IM&T) framework and a Corporate Operational Systems (COS) framework. The IM&T framework will address the wider IT Infrastructure needs of Trusts which sit alongside their specific clinical systems requirements.

In addition to the alliance we have with CCS through our workforce workstream, the Clinical Digital Solutions team are also collaborating with Crown Commercial Services (CCS) to reduce unwarranted variation and duplication across the NHS technology landscape. This will be achieved through knowledge sharing and partnership projects that optimise the different skills and expertise that exist within each organisation.

We will continue to assist trusts with the strategy development and resource support for the procurement and deployment of major and complex digital solutions; providing a compliant, cost effective route to market for both clinical and non-clinical health and social care technology requirements.



Medicines Optimisation and Pharmacy Procurement (MOPP)

What we do

The MOPP work stream delivers cost-effective prices on medicines and related products, and supports the London-wide QIPP work on medicines use and procurement. Medicines cost the NHS **£2.6bn** a year in London alone, split almost equally between Clinical Commissioning Groups (mainly GP prescriptions) and acute and mental health trusts. Hospital medicine expenditure is rising by about **12%**, partly due to the introduction of new high-cost medicines. We work with commissioner and provider pharmacy teams to encourage prescribing which both is clinical, and cost-effective. We monitor expenditure, savings and lost opportunity, as well as help to establish clinical guidelines to support use of the most cost-effective products.



Medicines Optimisation and Pharmacy Procurement (MOPP)

Key highlights 2018/19

London Regional Medicines Committee

We provided intensive specialist support to the London Regional Medicines Committee which resulted in London being the first region in which all (32) CCGs agreed in principle to commission the new FreeStyle Libre continuous blood glucose monitoring device for defined patient groups, benefits of which include better quality of care, value for money and equity of access.

Neonatal parenteral nutrition solutions

We established the first pan-London contract framework agreement ensuring the security of supply, value for money and optimised patient care.

Biosimilar medicines

2018/19 saw the launch of biosimilar trastuzumab and rituximab and in Q4, adalimumab. Growing uptake of biosimilar etanercept and supporting the uptake of the new drugs helped to yield projected full-year savings of **£20m**

Coming up in 2019/20

Biosimilars - will continue to deliver significant savings in 2019/20 currently expected to total **£40m**.

Stoma care - MOPP published resources to optimise prescribing of stoma care products and increase value for money in 2018/19. Building on the work completed for London, NHS LPP has reached agreement in principle with NHS Supply Chain: Rehabilitation, Disabled Services, Women's Health and Associated Consumables Category Tower, to develop a national stoma care product procurement in 2019/20.

HIV medicines - the introduction of new generic medicines is projected to save **£20m**.

Medical Gases - in addition to renewal of several existing NHS LPP frameworks and working with NW London colleagues, we are planning a fundamental review of the current framework for medical gases with a view to changing the procurement strategy and trying incentive trusts to implement track-and-trace software to control cylinder stocks and generate more leverage in a challenging market historically dominated by one supplier.

Monitoring and reporting - we have developed multiple dashboards for our members in primary care. The MOPP team are looking at how a new secondary care dashboard can help trusts to monitor savings in 2019/20.



The Academy at LPP

What we do

The Academy at LPP is a new holistic quality national study 'plus' procurement programme, offering apprenticeships at levels 2 to 6 in procurement and other related courses, as well providing extra development opportunities for existing procurement professionals, for example, Data Analysis, Project Management, ILM (Institute of Leadership and Management) from levels 2 to 7 (GCSEs to Masters level). We also recognise the need to offer a variety of access routes for both apprentices and employees.

You are able to benefit from the NHS LPP apprenticeship programme, both through the Employer Apprenticeship levy that all trusts need to pay centrally, as well as the fact that NHS LPP subsidises the apprenticeship management fees.



The Academy at LPP

Key highlights 2018/19

As a new venture, we are delivering our aims for this year in a number of ways:

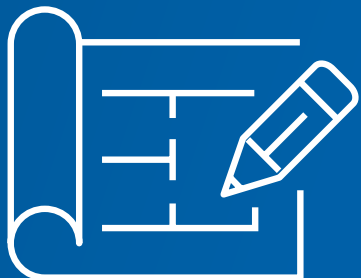
- the first pilot of the Higher Graduate Apprenticeship is now live and will inform the ongoing development of the Academy at LPP
- the Apprenticeship Plus course will launch towards the end of March 2019. The course will provide extra training to apprentices to enhance their apprenticeship standard
- we are currently organising training for staff in our member trusts who will manage the apprentices. This will include coaching and mentoring, as well as an Action Learning Set
- we are creating a sustainable pipeline of talent between NHS Trusts and educators. As a result, our Academy team are working closely with schools, colleges, and universities linked to the Apprenticeship Plus pilot, to create a long-term relationship and help future resourcing between these partners.

Coming up in 2019/20

We are undertaking the development of a number of courses in the new financial year including a CIPS Course via a CIPS Study Centre as well as an NHS Applied Learning CIPS Course - specifically written for the NHS.

We are also developing a Level 6, Trailblazer Proposal working directly with CIPS.

NHS LPP work streams



eEnablement and Business Intelligence

What we do

The eEnablement team supports members in their procurement technology and data initiatives, as well as market analysis at operational and strategic levels, providing informal consultancy and advice. We also offer continuous training, implementation, and support on procurement solutions.

The Business Intelligence (BI) team provide expert cleansing, enrichment and bespoke data analysis of members' Accounts Payable / Purchase Order data, to identify efficiencies and savings opportunities for members.

eEnablement and Business Intelligence

Key highlights 2018/19

BI team

- Developed an opportunity analysis dashboard tool which provides members visibility of trust-level work plans in their area. This provides members with visibility of other trusts that are procuring the same product in their STP region, allowing opportunities to collaborate and leverage buying power
- Now added a Carter metrics dashboard to automatically generate several of the metrics required by NHSI, helping trusts to reduce time spent on this activity
- Developed 3 dashboards for the Medicines Optimisation and Pharmacy team that shows CCGs and STPs where the best value for money is by switching to non-branded generic or bio-similar equivalents
- Our team reports on agency breaches and, as part of that, identified **£35.5m** overspend to date on breaches over agency caps
- Members continue to benefit and have free access to the Predict X Benchmarking and Spend Analytics, which provides richer data than currently provided by PPIB, since it contains more invoice data that is categorised and cleansed.

eEnablement team

- Members can now access our e-Catalogue/Content Management framework, providing a sophisticated solution which will enable consistent, identifiable and shareable data between procurement teams and across trusts, better enabling integrated and complex collaborative working. In addition, this framework also provides access to the widely used, web-based P2P solution, Pecos that is currently being implemented within two London STPs.

Coming up in 2019/20

BI team

- **Microsoft Power Business Intelligence** - We have exciting opportunities coming up in 2019/20. We are implementing Microsoft Power Business Intelligence, which is a state of the art cloud-based reporting tool. This will provide more concise and granular reporting capabilities.
- We will continue to provide members with categorised and cleansed AP and STP work plan data.

eEnablement team

- We are exploring innovative new projects that link to system-wide data quality, vendor management, AI in procurement, fraud identification and inventory management. We are keen to collaborate with members and encourage any suggestions in areas they would want NHS LPP to look into.



NHS London Procurement Partnership

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<http://www.lpp.nhs.uk/>