Lancashire Procurement Cluster (LPC)

A Change of Approach to Procurement

NHS Productivity: Delivering Better Value Care
13th December 2017

Blackpool Teaching Hospitals NHS
NHS Foundation Trust

East Lancashire Hospitals NHS
NHS Trust

Lancashire Teaching Hospitals NHS
NHS Foundation Trust

Content

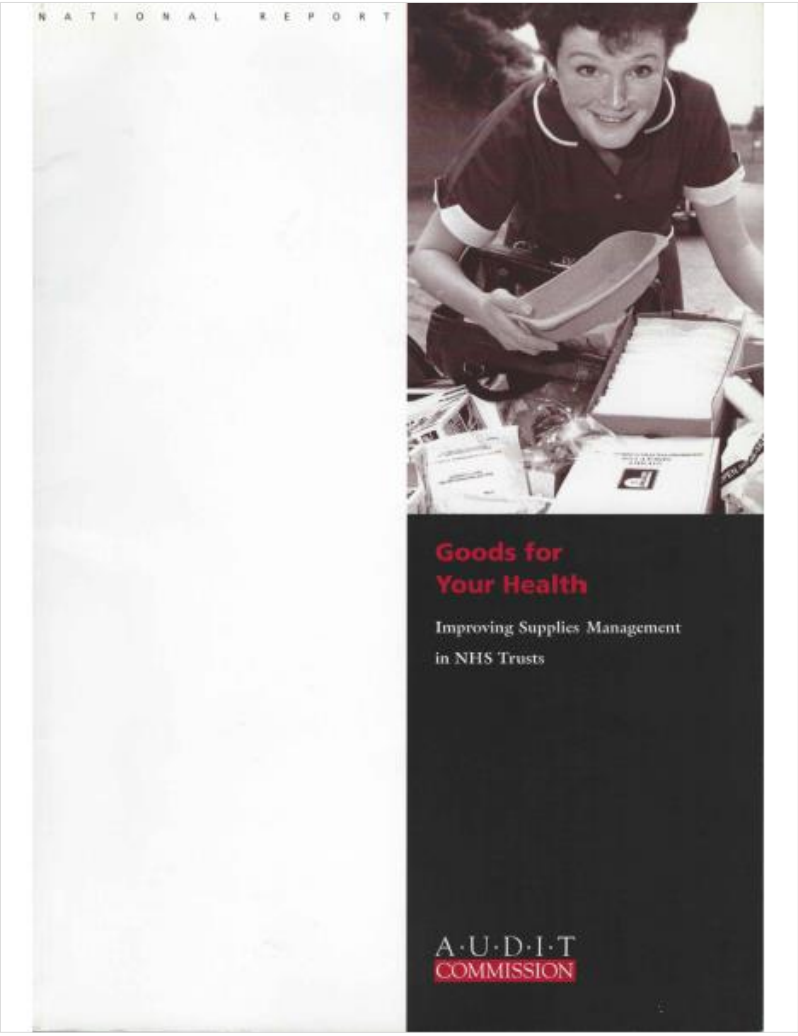
- Looking back at the NHS procurement agenda
- The origins of the LPC
- The vision of the LPC
- How we've delivered the LPC
- Summary
- Q&A

NHS Procurement Agenda Since 2010

Audit Commission Report - 1996

Goods for Your Health –

Improving Supplies Management in NHS Trusts

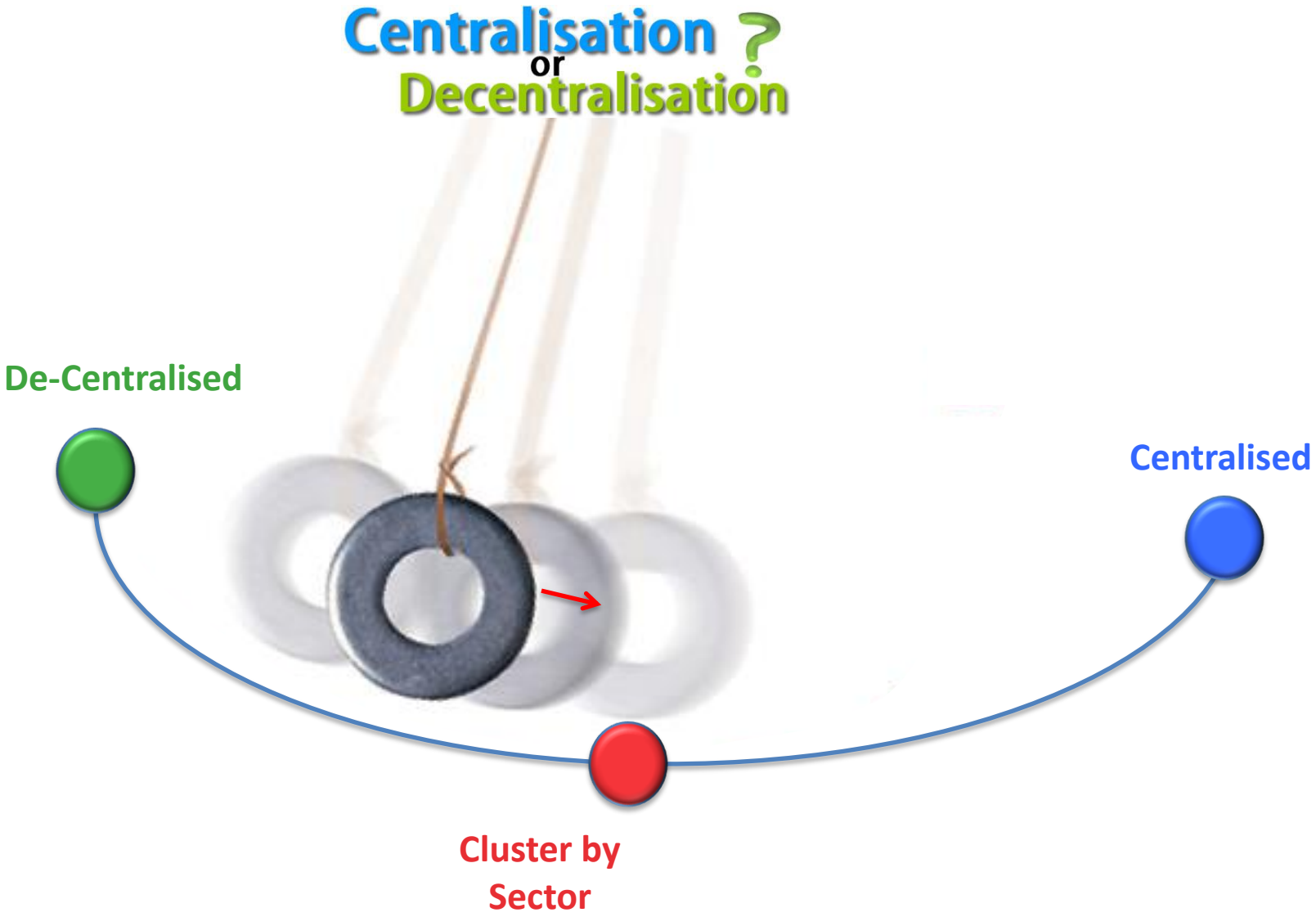


"….where exact comparisons can be made, price differences are remarkable."

"Trust boards need to ensure they have a clear plan for investment in supplies management."

"….continuous improvement will come about only if there is commitment from the trust board and senior managers."

The NHS Procurement Landscape



Lancashire Procurement Cluster

September 2015

Lancashire Procurement Cluster

From 'Backroom to Boardroom'

September 2015 (v.3)

Version control	
v1	Original issue August 2015
v2	Revised 22nd September 2015, excludes UHMB
V3	Revised 6th October 2015, revised LTHTR staff Apx. C

May 2017

May 2017

NHS Lancashire Procurement Cluster

"From Backroom to Boardroom"

Business Case for the development of a Shared Service collaborative Procurement and Supplies service in Lancashire.

Blackpool Teaching Hospitals NHS
NHS Foundation Trust

East Lancashire Hospitals NHS
NHS Trust

Lancashire Teaching Hospitals NHS
NHS Foundation Trust

Version 1.0
For Approval

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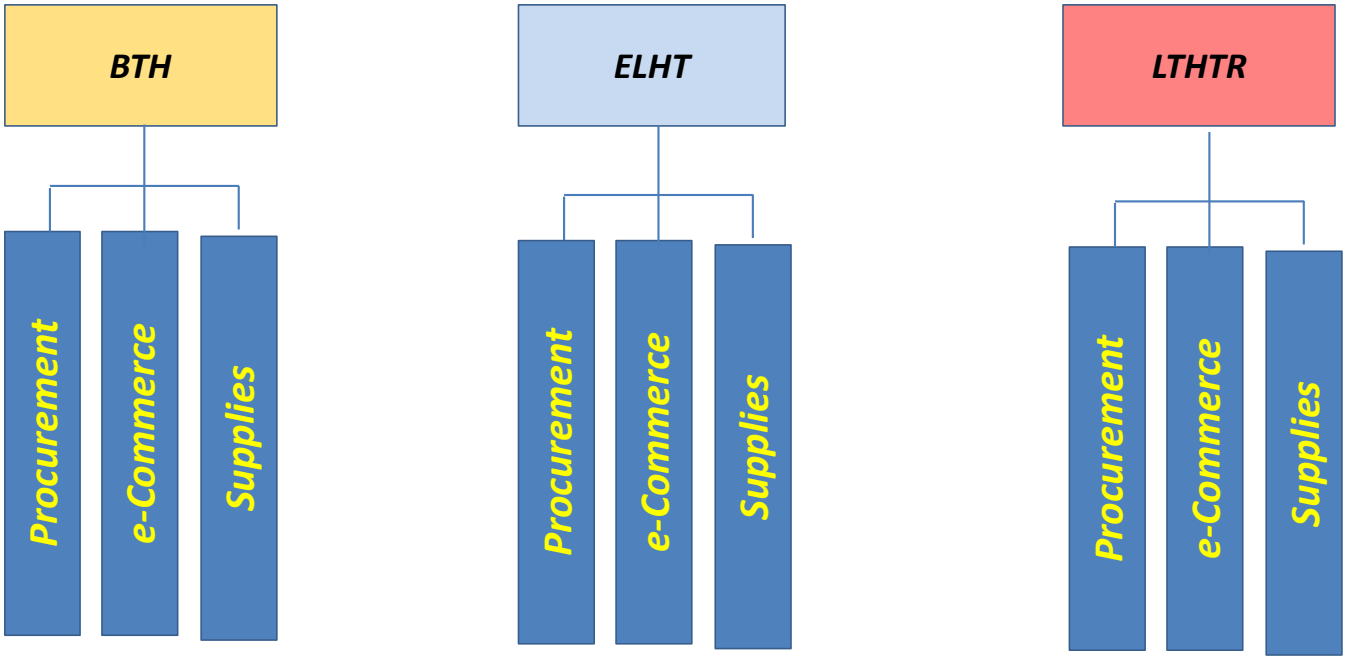
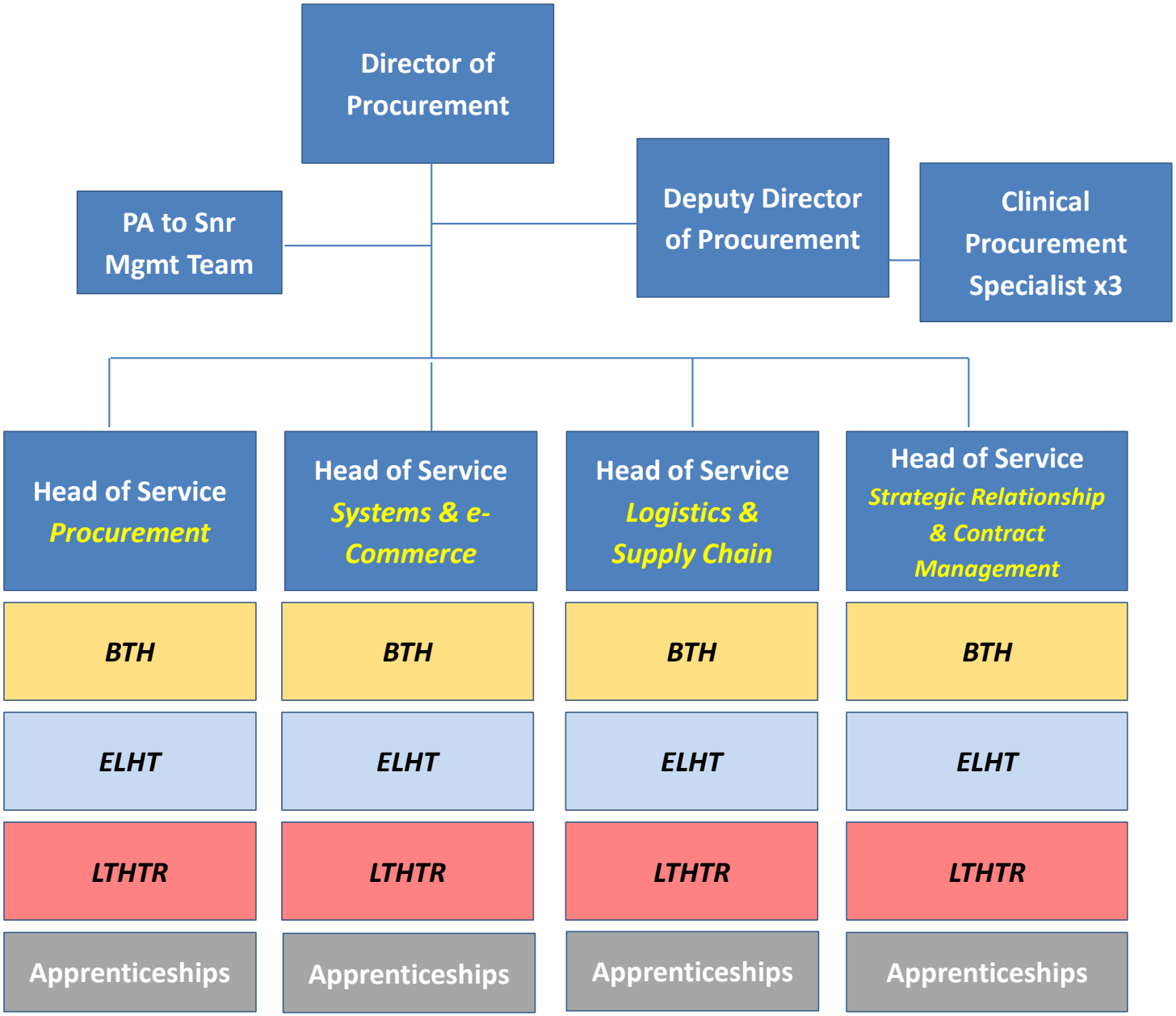
Where We Were



Where We're Going



The Vision

- LPC is about moving from good to excellent
- To create a nationally recognised centre of procurement and supply chain excellence (and reduce variation)
- Working strategically to address core issues, support transformational change & increase value for Trusts
- Working at an STP level with partners
- High quality clinical engagement to support high quality care and improved outcomes
- Creation of a flexible model to create foundation for future change - alignment to FOM
- Procurement and supplies professionals aspire to join

LPC Programme Timeframes

	May	*June*	*July*	*August*	*Sept*	*Oct*
Complete Business Case						
Approval of Business Case						
Formalise governance						
Consultation						
Review outcome of consultation						
LPC Implementation Phase						
Complete TUPE transfer & go live						

Foreword

"I am delighted to see the progress made by the Lancashire Procurement Cluster and commend Blackpool Teaching Hospitals NHS Foundation Trust, East Lancashire Hospitals NHS Trust and Lancashire Teaching Hospitals NHS Foundation Trust and their respective Board Members for showing leadership and commitment to drive transformational change in their STP.

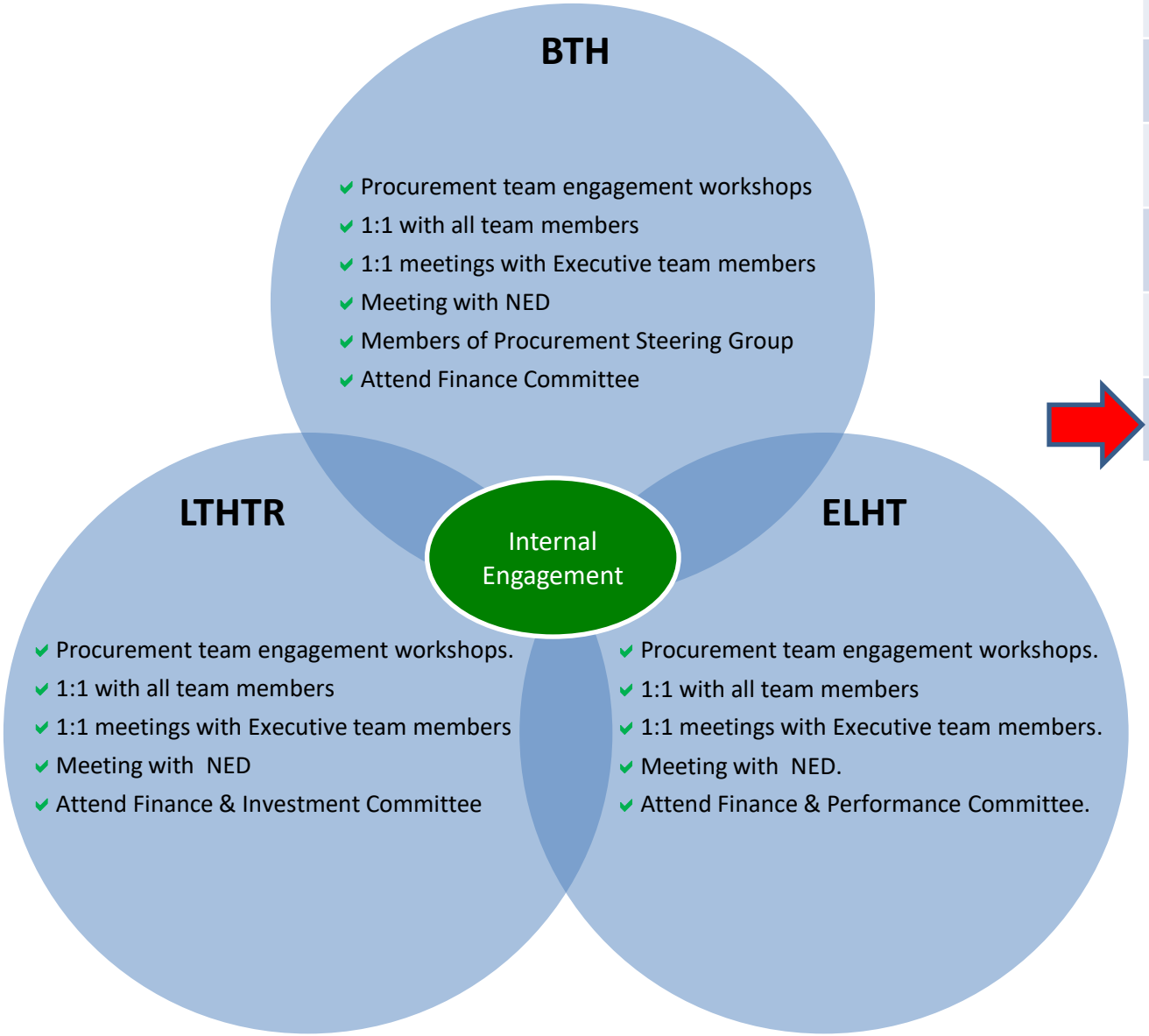
I fully endorse the approach set out in the business case which aligns with my key recommendation to reduce unwarranted variation within the NHS. It is clear to me that the LPC leadership team have worked with persistence and pace to engage with stakeholders and I understand that their approach has meant that the staff involved have embraced the challenges ahead and are looking forward to the benefits the shared service can bring to patients, the Trusts and to the team. I look forward to seeing the enthusiasm and commitment from team members when I visit the Cluster Trusts in the near future.

I hope that Trusts across the country follow the example of the LPC programme as a blueprint to demonstrate how corporate and support services can be structured to reduce unwarranted variation, provide the capacity, skills and strategic vision to support the delivery of value based health care".

Lord Carter of Coles
May 2017

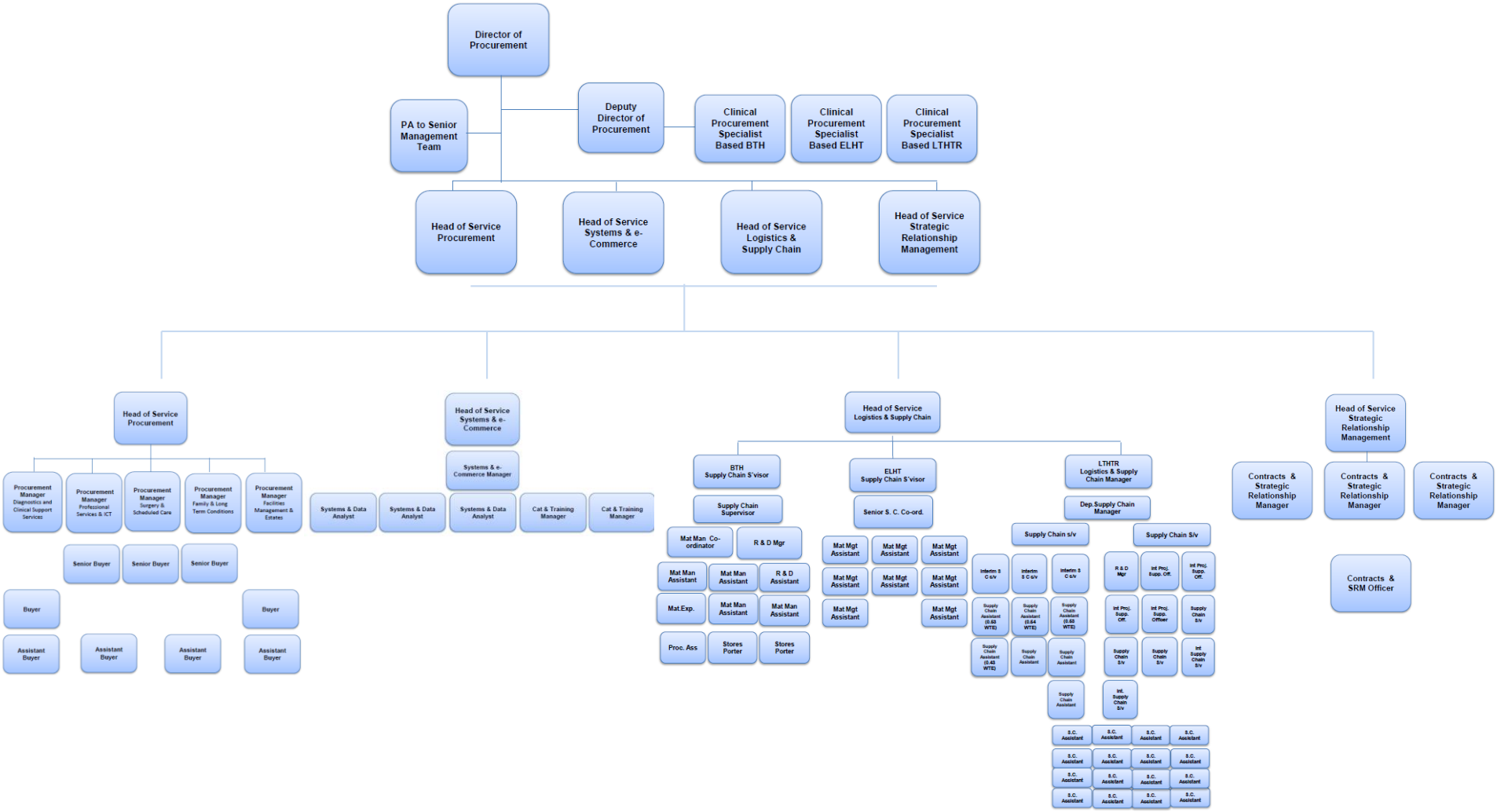
Lancashire Procurement Cluster

Stakeholder Engagement



External Engagement
NHS Improvement
DH Commercial Division
NHS Supply Chain
Crown Commercial Services
NHS Shared Business Services
Business Services Authority
Supplier Base

Our Structure – December 2017



Full Establishment Headcount: 110

In Summary

- The LPC shared service is live
- We are now actively engaging our supplier base
- We want to work proactively with our partners to reduce unwarranted variation and drive ever increasing value from our contracts
- The direction of travel is for greater consolidation of procurement services

Thank You
&
Questions

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