

NHS Procurement: What you need to know

Preparing your business for the Future Operating Model (FOM)

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SEMINAR ARTICLE:

Purchasing chief promises 'route to innovation' for suppliers

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A new NHS purchasing chief has pledged to provide a “route to innovation” as part of changes to the way the health service buys diagnostic and pathology equipment.



Chris Robson, the managing director of Akeso & Company, told HSJ one of his main priorities during the next five years is to make it easier for the NHS to access innovative products and services.

His management consultancy firm is tasked with buying “diagnostic equipment and associated consumables” for the NHS, after winning a £9m contract from the Department of Health and Social Care in January.

This includes equipment used for diagnostic, pathology, and therapy purposes.

It is part of an overhaul of the way the NHS purchases common goods and equipment in a bid to save more than £2bn by 2022.

The contract is the biggest Akeso has won since it was founded by Mr Robson and Scott Healy in 2013.

Since its inception the consultancy, which specialises in healthcare, life sciences, and pharmacy, has grown its workforce to around 30 people.

Five new staff have transferred over from NHS Supply Chain, which fully transitions to a new operating model in October. A small number of positions for Akeso’s work on the NHS procurement project are yet to be filled.

“As the previous health secretary has said, innovation and technology is going to be absolutely key to how you deliver healthcare better and get better quality outcomes,” Mr Robson said.

“You also can’t make the same sort of savings the NHS needs by only focusing on price – it’s my view we need to help the system do something differently.”

Mr Robson said “in-scope innovations” would be introduced through Akeso’s frameworks, which will encourage further innovations as suppliers react.

“One of the things we want to do is work with suppliers to help them demonstrate the case for their technologies, for example through case studies – without breaching confidentiality or competition,” he said.

“There are a myriad of innovations and new technologies out there, but it can be a challenge to get acceptance of the efficiencies or quality benefits, particularly if costs in one part of the system go up and the benefits are reaped elsewhere.





“You have to make sure people understand the total net benefit for the system.”

Procurement chiefs hope the new “category tower” providers, of which Akeso is one, will increase the NHS’ collective market share of products purchased up to 80 per cent.

For Akeso’s category, it is estimated the NHS spends up to £300m annually, yet only around £50m of this is spent through NHS Supply Chain.

It is a category where Supply Chain has one of the lowest market shares, compared to the other 10 areas of spend covered by the new model.

Mr Robson said the main reason for the low market share is down to trusts selecting managed equipment service arrangements, which have not been offered by NHS Supply Chain historically.

As part of the transition to the new model, a number of managed equipment service frameworks are being novated from NHS Supply Chain to Akeso.

Mr Robson said his company plans to establish other such frameworks “where demand exists” and the “strategy can demonstrate the benefits”, if the plans are approved by Supply Chain Coordination Ltd.

SCCL is a company owned by the secretary of state for health and social care, which was set up to manage the new procurement model.

Asked about the emerging pathology networks across England, some of which have begun procuring a managed equipment service, Mr Robson said: “One of the challenges is going to be ensuring that we keep the market competitive as the networks get established.”

He said Akeso is working on identifying which pathology tests in a network would benefit patients by being with the same provider, and which tests need only be comparable in terms of method and output.

So far, this work has shown it is “only a minority of tests”, which benefit from being with the same provider, and “there are different ways of handling this within a regional network”, Mr Robson said.

Source: HSJ

NHS Procurement: What you need to know

This event takes place on **7 November 2018** in Birmingham and **3 April 2019** in London.

These seminars are ideal for NHS suppliers new to the NHS or in need of a refresher. Attendees will learn about the Future Operating Model (FOM), procurement towers and what this all means for organisations doing business with the NHS.

You will hear from expert speakers from Wilmington Healthcare and HSJ as well as national and local NHS leaders responsible for procurement.

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