

B/17/71

NSS Formal Board Meeting – Thursday 29 June 2017

Performance and Finance Committee Annual Report 2016/17

Purpose

The NSS Performance and Finance Committee Annual Report provides a summary of matters considered by the NSS Performance and Finance Committee and to give assurance to the NSS Board that the Committee has fulfilled its remit.

Recommendation

The Board is asked to approve the report that was tabled and approved by the meeting of the Performance and Finance Committee on 31 May 2017.

Timing

There are no timing issues in relation to this report.

Background

This is an annual report to the Board to provide assurance that it is fulfilling its remit under the NSS Standing Orders.

Kate Dunlop
NSS Performance and Finance Committee Chair
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Annual Report to NSS Board by NSS Performance and Finance Committee, 1 April 2016 – 31 March 2017

1. INTRODUCTION

- 1.1 The purpose of the annual report is to provide a summary of matters considered and to provide an assurance to the NSS Board that the Committee has fulfilled its remit.

2. MEMBERSHIP

- 2.1 The Members of the Performance and Finance Committee are:-

- Mrs Kate Dunlop (Chair)
- Ms Julie Burgess
- Professor Elizabeth Ireland
- Mr Mark McDavid

- 2.2 The following are normally in attendance at meetings of the Committee:-

- Chief Executive
- Director of Finance and Business Services
- Director of Strategy and Governance

3. MEETINGS

- 3.1 The Committee met on the following dates:-

- 26 May 2016
- 26 October 2016
- 23 February 2017.

- 3.2 The Chair would like to thank all the members for their support and contribution throughout the year.

4. MINUTES OF AND ACTIONS FROM MEETINGS

- 4.1 Detailed and comprehensive minutes were prepared after each meeting in order to provide a clear audit trail.

- 4.2 An action register was prepared to manage actions agreed from each Committee meeting and was reviewed at each meeting.

5. COMMUNICATION TO NSS BOARD

- 5.1 A report was given to the NSS Board Meeting following the Committee meeting and the meeting minutes were submitted for noting by the Board at the first ordinary meeting of the Board held after the next meeting of the Committee.

6. FINANCIAL MONITORING

- 6.1 The financial position of the Board was fully reviewed at each meeting with particular emphasis on Strategic Business Unit (SBU) Performance, efficiency savings and capital expenditure position.

7. LOCAL DELIVERY PLAN (LDP), FINANCIAL AND WORKFORCE PLANS

- 7.1 The final version of the NSS LDP 2015/16 was reviewed at the May 2016 meeting of the Committee and a Mid Year Performance Report including LDP was also received during the course of the year.
- 7.2 The Committee meeting in February 2017 received a revised Finance and Workforce Plan based on the submission of plans by the SBUs.
- 7.3 The Mid Year Sustainability Performance Update, the Climate Change report and the Winter Planning Arrangements report were considered at the October 2016 meeting.

8. RISK MANAGEMENT

- 8.1 Each Committee meeting reviewed the Business Risks on the NSS Risk Register with particular focus on high risks for accuracy and mitigation actions.
- 8.2. In February the committee discussed work undertaken in the IT SBU to review the resilience of key IT systems used by and/or supported by NSS.

9. NATIONAL PROCUREMENT

- 9.1 A number of new and extended National Procurement contracts were agreed during the course of the year (See Appendix 1)

10. ANNUAL REVISIONS TO THE NSS STANDING FINANCIAL INSTRUCTIONS (SFI's)

- 10.1 The annual revisions to the SFIs were considered at the May 2016 meeting.

11. COMPLAINTS REPORT

- 11.1 The Committee monitored complaints relating to business and performance issues on a quarterly basis.

12. NSS INTERNAL AUDIT PLAN 2017/18

- 12.1 The NSS Internal Audit Annual Plan (2017 – 2018) was circulated to members of the Committee for their meeting in November 2016. The Committee asked that the timing of one audit be brought forward but there were no requests for any additional audits to be undertaken.

13. PERFORMANCE AND FINANCE COMMITTEE TERMS OF REFERENCE/ COMMITTEE EFFECTIVENESS

- 13.1 The Committee reviewed their terms of reference at their meeting in February 2017 and updated these as necessary.
- 13.2 The Self-Assessment of the Committee's effectiveness was not reviewed during the financial year.

14. DOCUMENTS CIRCULATED FOR INFORMATION

- 14.1 The Committee received regular documents for information. These included relevant publications, details of the meeting dates and forward programme of documents, together with details of contracts which were expected to be received by the Committee for approval.

15. CONCLUSIONS AND ASSURANCE TO NSS BOARD

- 15.1 The Members of the Performance and Finance Committee conclude that they have given due consideration to the effectiveness of the Business Planning, Performance Review, Risk Management, and Complaints Handling arrangements within NSS and can give assurance to the Board in line with their remit under the terms of the Standing Orders for NSS.

Kate Dunlop
Chair of the Performance and Finance Committee
31.05.2017

Appendix 1: Contracts Awarded April 2016 – March 2017

National Procurement Full Year Contracting and Extension activity

• **Contracts >£100k Awarded in 2016/17**

Contract Reference	Contract Description	Award Date	Contract Annual Value (£m)	Secured Savings (£m)
NP455/16	Etanercept	Apr/16	£18.3	£5.1
NP361/16	Antibiotic & Genito Urinary Medicines	Apr/16	£6.1	£1.3
NP635/15	Cath Lab Consumables	Apr/16	£2.7	£0.8
NP456/16	Etanercept Home Delivery	Apr/16	£0.8	£0.0
NP599/16	Wound Management	Apr/16	£3.3	£1.2
NP609/16	Thermometer Probe Covers	Apr/16	£0.7	£0.0
NP457/16	Storage and Distribution of Seasonal Influenza Vaccines	Apr/16	£0.3	£0.0
NP446/16	Rituximab Dose Banded Medicines	Apr/16	£6.9	£0.5
NP428/16	Unlicensed Imported Medicines	Apr/16	£1.6	£0.2
NP600/16	Dressings	Apr/16	£2.7	£0.8
NP763/16	Mobile Voice & Data Services	Apr/16	£1.2	£0.0
NP927/16a	Enzalutamide (Xtandi®)	Apr/16	£2.2	£0.6
NP701/15	Recruitment Advertising	Apr/16	£0.9	£0.0
NP632/16	Static Cushions	May/16	£0.5	£0.0
NP458/16	Voriconazole	May/16	£0.2	£0.9
NP840/16	Electrical Materials	May/16	£1.4	£0.4
NP371/16	ENT, Ophthalmology & Skin Generic Medicines & Medical Devices	Jun/16	£1.3	£0.6
NP633/16	Cardiac Resynchronisation Therapy (CRT) and (ICD)	Jun/16	£4.7	£0.7
NP441/16	Infliximab	Jul/16	£7.2	£1.0
NP188/16	Radiology Reporting	Aug/16	£3.3	£0.1
NP801/16	Curtains & Blinds	Aug/16	£0.7	£0.0
NP909/16	Romiplostim (N-Plate)	Aug/16	£1.5	£0.0
NP459/16	Unlicensed Infusions	Aug/16	£0.4	£0.0
NP704/16	Direct Meal Service	Aug/16	£2.4	£0.1
NP313/16	Total Parenteral Nutrition	Aug/16	£0.9	£0.0
NP803/16	Recyclates and General Waste Management	Aug/16	£4.0	£0.0
NP350/16	CMU Recombinant Factor 9	Sep/16	£3.4	£1.6
NP798/16	Patient Advice and Support Services	Sep/16	£1.1	£0.0
NP5039/15	Hepma Multi-Supplier framework	Sep/16	£15.0	£0.0
NP919/16x	Abacavir/Dolutegravir/Lamivudine (Triumeq®)	Oct/16	£1.5	£0.1

NP162/16	Operating Theatre Tables	Oct/16	£2.2	£0.0
NP646/16	Coagulation Products	Oct/16	£1.5	£0.1
NP508/16	Paper Products	Nov/16	£4.7	£0.4
NP601/16	Cardiology Stents	Nov/16	£3.7	£1.0
NP660/16	Portable Batteries	Nov/16	£0.0	£0.0
NP461/16	Imatinib	Nov/16	£3.0	£5.6
NP189/16	Tracheostomy Tubes & Accessories	Nov/16	£0.5	£0.1
NP452/16	Seasonal Influenza Vaccines (GP and Hospital)	Dec/16	£3.9	£2.7
NP574/16	Condoms	Dec/16	£0.5	£0.0
NP433/16	HIV Generic Medicines	Dec/16	£0.4	£1.9
NP637/16	Surgical Power Tools	Dec/16	£1.4	£0.1
NP427/16	Home Delivery Pulmonary Arterial Hypertension Medicines	Dec/16	£0.3	£0.1
NP462/16	NRT Products	Dec/16	£3.6	£1.5
NP929/16a	Bosutinib (Bosulif)	Jan/17	£0.6	£0.2
NP930/16a	Crizotinib (Xalkori)	Jan/17	£0.3	£0.0
NP397/16	Oncology Generic Medicines	Jan/17	£0.6	£2.0
NP907/16	Apremilast (Otezla®)	Jan/17	£2.6	£0.5
NP172/16	Electro Surgical Diathermy	Jan/17	£1.4	£0.2
NP799/16	Managed Transport Services & Associated Services	Feb/17	£2.3	£0.1
NP606/16	Healthcare Waste and Sharps Containers	Feb/17	£1.9	£0.1
NP610/16	Orthotic Services	Feb/17	£0.9	£0.2
NP912/16a	Trastuzumab (Herceptin) 600mg/5ml solution for injection	Feb/17	£9.2	£0.0
NP912/16b	Trastuzumab (Herceptin) 150mg	Feb/17	£2.1	£0.0
NP117/16	Bone Cement Products	Feb/17	£2.4	£0.2
NP6020/16	Skilled Practitioners	Mar/17	£0.7	£0.2

Total Annual Contract Value (£m)	£147.5
Total Savings (£m)	£33.8
Percentage	23%

• Extensions >£100k signed in 2016/17

Contract Reference	Contract Description	Extension Start Date	Contract Annual Value (£m)	Secured Savings (£m)
NP433/14	HIV Generic Medicines (Extension)	Apr/16	£0.3	£0.2
NP798/10	Patient Advice Support Services	Apr/16	£1.2	£0.0
NP826/14	Refrigeration equipment	Apr/16	£0.5	£0.0
NP713/13	Cleaning Products	May/16	£1.5	£0.0
NP370/11	Compliance Aids	Jun/16	£0.7	£0.0
NP506/13	Supply of Wigs & Associated Services	Jun/16	£1.6	£0.0
NP507/13	Walking Aids	Jul/16	£1.1	£0.0
NP517/13	Stoma New Patient	Jul/16	£0.5	£0.0
NP326/14	IVIGG and Subcut IGG	Aug/16	£16.4	£0.0
NP5016/12	Software Reseller	Sep/16	£12.0	£0.0
NP510/14	Temporary Agency Nursing, Healthcare Assistants & ODP'S	Sep/16	£9.3	£0.0
NP441/15	Infliximab	Oct/16	£9.9	£2.1
NP443/15	Aripiprazole	Oct/16	£0.1	£0.1
NP650/13	Gender Reassignment	Oct/16	£0.5	£0.0
NP775/13	Prepared Vegetables and Potato Products; Fresh Fruit & Vegetables	Oct/16	£2.1	£0.0
NP813/13	Authorising Engineers	Oct/16	£0.5	£0.0
NP613/16	Enteral Syringe, Tubing and Accessories	Oct/16	£2.3	£0.0
NP573/13	Alcohol Hand Sanitisers, Moisturisers and Soaps	Nov/16	£1.2	£0.0
NP824/13	Educational Books	Nov/16	£0.3	£0.0
NP505/14	Allied Health Professionals & Other Clinical Professions	Nov/16	£4.5	£0.0
NP444/14	Sevelamer	Dec/16	£0.1	£0.0
NP648/13	The provision of Clinical Procedures to NHS Scotland Healthboards (Private H/C)	Dec/16	£17.0	£0.0
NP712/13	Facilities Disposables	Dec/16	£1.2	£0.0
NP565/14	Supply of Pacemakers & Implantable Loop Recorders	Jan/17	£1.8	£0.0
NP514/13	Wound Closure Products	Jan/17	£4.3	£0.1
NP815/13	Maintenance of catering equipment	Jan/17	£0.5	£0.0
NP300/13	Intravenous and Irrigation Fluids	Feb/17	£4.7	£0.0
NP92315(a)	Interferon Beta – 1b (Extavia)	Feb/17	£1.1	£0.0
NP536/13	Antiembolism Stockings, Compression Devices & Pumps & Lymphoedema Products	Feb/17	£1.9	£0.0
NP623/14	Haemostatic Dressings	Feb/17	£0.5	£0.0
NP655/14	Waste Bags	Feb/17	£1.4	£0.0
NP316/13	Insulin Infusion Pumps	Mar/17	£4.6	£0.0
NP347/14d	Apixaban (Eliquis)	Mar/17	£0.1	£0.0
NP347/14e	Dabigatran (Pradaxa)	Mar/17	£0.0	£0.0
NP347/14f	Rivaroxaban (Xarelto)	Mar/17	£0.5	£0.0
NP919/14	HIV Medicines	Mar/17	£16.3	£0.0
NP316/13	Blood Glucose Monitoring - Connectivity	Mar/17	£4.6	£0.0
NP379/13	Blood Glucose Monitoring – Healthcare Professional Use	Mar/17	£0.4	£0.0
NP592/15	Supply of Patient Lifting Equipment	Mar/17	£1.1	£0.0

NP566/13	Simultaneous Cutting/Coagulation and Uterine Ablation Systems (Electrosurgical)	Mar/17	£4.2	£0.0
NP504/12	Intraocular Lenses and Viscoelastics	Mar/17	£3.2	£0.1
NP509/13	Endo Surgical Devices (Ranked Lots)	Mar/17	£3.2	£0.0
NP653/13	Endosurgical Devices UN Ranked Lots	Mar/17	£4.7	£0.1
NP835/14	NHSS Aroma Provisions	Mar/17	£0.3	£0.0
NP102/13	Pulse Oximetry	Mar/17	£1.6	£0.0
NP434/14	CMU Recombinant Antihaemophilic Factor VIII	Mar/17	£13.2	£0.0
NP100/13	Fluid Warming and Patient Temperature Management	Mar/17	£0.6	£0.0
NP100a/15	Patient Temperature Management	Mar/17	£0.7	£0.0
NP144/13	Intravenous Administration Sets & Related Items	Mar/17	£3.6	£0.0
NP594/12	Sterile Procedure Packs & Supplementary Items	Mar/17	£1.7	£0.0
NP595/12	Sterile Services Consumables	Mar/17	£0.8	£0.0
NP615/13	Audiological Devices	Apr/17	£5.9	£0.0
NP101/13	Oxygen Therapy	Jun/17	£3.2	£0.0
NP501/14	Medical Examination Gloves	Jun/17	£4.5	£0.2
NP828/14	Vat Services	Jul/17	£1.2	£0.0
NP163/14	Orthopaedic Trauma Implants	Aug/17	£8.2	£0.0
NP631/14	Orthopaedic Hip Implants	Sep/17	£12.4	£0.0
NP116/14	Supply of Scoliosis Instrumentation and Implants	Oct/17	£1.2	£0.0

Total Annual Contract Value (£m)	£202.7
Total Savings (£m)	£2.8
Percentage	1.4%

- **Quantity of contracts = 57**
- **Quantity of extensions = 58**
- **Total activity = 115**
- **Note the above excludes Cross Sectoral contracts awarded by Scottish Procurement with Health as a participant , via NP, also other National Procurement activity in 16/17 aimed at delivering further cost reductions to NHS Scotland is not included**