

## Siemens Healthcare welcomes call for increased procurement transparency

NHS requires increased procurement transparency and focus on performance of procurement frameworks, says leading healthcare supplier

[Siemens Healthcare](#) welcomes the recommendations for improved procurement transparency as contained within the Department of Health's 'Better Procurement, Better Value, Better Care' [report](#). In addition, Siemens welcomes the Procurement Development Programme's call for focus on the way Trusts work with procurement partners.

Peter Harrison, Siemens Healthcare's UK Managing Director, comments "We totally support the call for Trust Boards to focus on procurement and especially advocate the use of competition to ensure procurement value. The funding gap\* highlights the challenge such that now, more than at any other time, effective procurement should be a key focus for Trust Boards and their Audit Committees.

"Effective procurement will be fundamental to addressing the NHS funding gap and every party within the supply chain must be prepared to demonstrate their value. This includes procurement intermediaries such as framework operators. We are pleased to see the report promises to explore opportunities to increase transparency of procurement data, and we believe there should be much greater transparency of business transacted through procurement framework operators.

"There are clear benefits to be derived from the effective use of frameworks, such as the reduced cost of the procurement process, and leverage of demand discounts. There are also potential downsides, however, which are particularly acute if a framework is not appropriately established and operated.

Peter Harrison continues, “Significant high value purchases can be conducted through frameworks without the discrete opportunities being presented to the wider market. If the framework operator has not solicited the participation of a wide range of suppliers, choice becomes limited to the detriment of competition and value for the buyer. The lack of transparency and visibility of such procurement frameworks inherently compromises the ability to demonstrate value and identify inappropriate use or operation of these channels.

“We advocate that procurement performance should be subject to increased Trust Board scrutiny and governance. We would encourage NHS Trusts utilising procurement framework agreements to ensure that they have been established in a manner that exploits competition to secure value, and that their operation optimises net savings.”

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**Note to the Editor:**

\*highlighted by the NHS in England report, July 2013

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***Picture caption:***

Peter Harrison, Managing Director UK, voices Siemens Healthcare's support of the recently announced Procurement Development Programme, while also calling for increased transparency and governance of procurement frameworks.

