The Newcastle upon Tyne Hospitals NHS Foundation Trust

Consignment of clinical consumables, devices and surgical instruments from suppliers – Policy and Procedure

| Version No: | 1.1 |
| Effective From: | 1 July 2016 |
| Expiry Date: | 1 July 2019 |
| Date Ratified: | 30 June 2016 |
| Ratified By: | Supplies & Services Procurement Committee (min ref 13/51) |

1 Introduction

This policy covers the procedures to be followed when products are obtained by the Trust (Customer) from a supplier (Company) on the basis of a consignment arrangement. It is important to note in the first instance that Consignment arrangements cannot circumvent Trust Standing Financial Instructions or Public Procurement regulations. To ensure full compliance, all consignment agreements for clinical consumables, devices and surgical instruments must have prior approval from the Director of Supplies and Procurement.

2 Scope

When products are obtained by the Trust from a supplier on the basis of a consignment arrangement then ownership of the products remains with the supplier. The Trust is obliged to keep the products in a safe and secure environment, to replace any goods it consumes from the consignment and to return the consignment in its entirety when the consignment arrangement ends. Products typically acquired on a consignment basis include: surgical implants, surgical instruments, interventional and diagnostic devices and implantable devices.

The acquisition of products on a consignment basis can be sensible, prudent and risk-mitigating when well-managed, but can be ill-advised if introduced only for the benefit of the supplier or poorly managed.

The Trust’s policy and procedure for the Handling of Loaned Surgical Instruments should be read in conjunction with this policy and procedure.

3 Aim

The aim of this policy and procedure is to ensure that for any products consigned to the Trust by suppliers, such arrangements are put in place only when appropriate, that appropriate records are maintained, that product liability is clearly documented, that the ownership of products is clear and differentiated from conventionally procured Trust-owned products and that responsibility and accountability for the management of consigned products is defined and understood.
4 Responsibility for consignment stocks

The responsibility for entering into any consignment arrangement, for fulfilling the Trust’s obligations arising from such an arrangement and for managing the consigned products, resides with the Directorate which will fund the replenishment of the consignment. The formal consignment agreement with the supplier should be signed on behalf of the Trust by the Directorate Manager or nominated deputy and the Directorate Manager should ensure that appropriate arrangements are in place to manage the consignment. Prior to signing any consignment agreement, a draft version should be sent to the Director of Supplies and Procurement for approval.

5 Definitions

5.1 "Consignment Products" means those products belonging to the Company and/or its affiliates specified in the Consignment Stock Agreement.

5.2 "Consignment Stock" means the stock of the Consignment Products held by the Customer at the Facility on a consignment basis.

5.3 "Facility" means such storage and/or warehousing facility of the Customer as the Customer shall specify to the Company for the receipt and storage of the Consignment Stock.

5.4 "Replenishment" means the process by which the Customer will order and pay for replacements of Consignment Products it has consumed from the Consignment Stock.

6 When and when not to consign

Reasons to support the consignment of products include:

6.1 To avoid the risk of obsolescence, for example:

- to ensure the availability of the required single-use sterile products used in a surgical procedure (e.g. spinal fixation, breast reconstruction), a wide range of types and sizes may be required, but most usage will be from a narrower “core” range. Consequently, there is a risk that products at the extremes of the type/size range, whilst stocked in case they are needed, may not be used and may then go beyond their use-by date. If the Trust owns such stock, it will assume the risk of obsolescence. If the stock is consigned then the supplier will assume this risk (subject to the consignment agreement being clear on this point – see sections 7 and 9)
- it may be that a particular range of products is used by only one or two surgeons; were the stock to be owned by the Trust and these surgeons to leave the Trust then the risk of obsolescence will be met by the Trust. If the stock is consigned, then it can be returned to the supplier when no longer required at no risk to the Trust.
6.2 To avoid significant and unnecessary financial investment in stock and/or instrumentation, for example:

- where a wide range of types and sizes of single-use sterile consumable products are required to enable selection of the correct type/size for a particular patient procedure then the necessary financial investment in stock can be disproportionate to the expenditure on products used in such procedures. Taking consignment stock can mitigate this requirement with the Trust paying only for products actually used.
- where an instrument tray containing a wide range of types and sizes of non-sterile consumable products is required to enable selection of the correct type/size for a particular patient procedure, then the necessary financial investment in stock can be disproportionate to the expenditure on products used in such procedures; taking consignment stock can mitigate this requirement with the Trust paying only for products actually used.
- where, in order to use a particular consumable product, specific associated surgical instruments are required, again with significant financial investment, suppliers may agree to consign instrumentation to enable the Trust to use their products.
- where expensive next-day deliveries to support emergency procedures can be avoided by holding consignment stock of products and instrumentation.

6.3 Reasons to question the consignment of products include:

6.3.1 When the benefit arising from the consignment is more for the supplier than for the Trust, for example:
- a supplier’s motive in offering consignment of products will generally be to ensure that their product is readily available on a theatre’s stockroom shelves and therefore more likely to be used. If the Trust will not benefit reasonably via the supporting reasons outlined above then the consignment arrangement should not be pursued.

6.3.2 When the cost of replenishing the consignment is punitive by comparison with replacing Trust-owned stock, for example:
- a supplier may apply differential pricing for replenishing consignment stocks by comparison with replacing Trust-owned stock – this might be by not providing a level of discount otherwise offered or by charging higher prices. Where any additional cost outweighs any risk-mitigating and financial benefit to the Trust then the consignment arrangement should not be pursued.

6.3.3 When the supplier providing the consigned product is not prepared to provide quantities of products to support the activity levels of the Directorate, for example:
- a supplier may be wish to restrict the quantities of each product in the consigned stock to a level which the Directorate consider inadequate and would therefore need to supplement the consigned
stock of an individual product with Trust-owned stock of the same product. This is highly likely to lead to confusion over ownership of and liability for consigned and Trust-owned product and therefore, in such circumstances the proposed consignment arrangement should be declined.

The decision as to when and when not to consign is ultimately for Directorate’s to make and will involve balancing the supporting and questioning reasons outlined above. If in doubt, advice can be sought from the Trust’s Director of Supplies and Procurement.

7 Liability for consigned products

The liabilities in respect of the consigned products are defined in the Trust Consignment Agreement Form (see section 9) and key points are as follows:

7.1 The Trust will be liable for any physical loss or damage to products whilst held on their premises, hence the requirement for safe and secure storage. The remedying of any financial loss will be met by the Directorate’s budget, by way of a requisitioned and ordered replacement for the loss or damaged product. Any such loss should be reported to the Finance Directorate for inclusion in the Trust’s Losses and Compensation Register.

7.2 The Trust will be liable for replacing any consigned product it has consumed, maintaining the product types and quantities detailed in the consignment agreement. Replenishment of consumed items should be arranged by way of a requisition and order.

7.3 The supplier will be liable for any loss arising from products going beyond their “use-by” or “expiry” dates and will replace any such products at no charge to the Trust, maintaining the product types and quantities detailed in the consignment agreement. To enable the supplier to meet this obligation, the Trust will provide the supplier with accompanied access to their consigned stock but only by prior arrangement.

Where consignment agreements based on agreement forms other than the Trust Consignment Agreement Form (see section 8) have been entered into prior to the implementation of this policy, Directorate’s should ensure that the key points detailed above are consistent, particularly in respect of supplier liabilities. If not, then wherever possible the agreement should be replaced with one based on the Trust Consignment Agreement Form.

8 Indemnity

There are two types of supply – one where the sale of goods involves a financial transaction between the parties and one where no financial transaction occurs. In the former, the Sale of Goods Act applies, but where no financial transaction is involved, the Sale of Goods Act does not apply and would not therefore provide indemnity for the Trust. In such situations, indemnity can be provided via a Master Indemnity Agreement (MIA) scheme managed by the Department of Health with which most
reputable suppliers are registered. Before entering into a consignment agreement, Directorates should check that the supplier is registered with the DH MIA Scheme by enquiring via the following link: http://nhsmia.bipsolutions.com/

If the supplier is not registered with the DH MIA scheme then, as a general rule, the consignment stock arrangement should not be pursued. In exceptional circumstances, supplier specific Indemnity Forms can be signed but in such circumstances, advice should be sought from the Trust Supplies and Procurement Director.

9 Consignment Agreement Form

The Trust has a standard Trust Consignment Agreement Form (attached as Appendix A) which from the effective date of this policy should be used for all consignment arrangements. The agreement form includes a schedule listing the product types and quantities consigned. Where consignment arrangements have been established prior to the effective date of this policy and are based on a supplier's consignment agreement form, the agreement should be checked to ensure compliance with the key points identified in Section 7. If the agreement is not consistent on these key points, particularly in respect of supplier liabilities then wherever possible, the agreement should be replaced with one based on the Trust Consignment Agreement Form. The following procedure should be adopted in relation to the Trust Consignment Agreement Form:

- A draft version of the completed agreement form should be provided to the Trust's Director of Supplies and Procurement for approval.
- On receipt of such approval, the agreement should be signed by the Directorate Manager or nominated deputy and the supplier.
- An original signed copy of the agreement and schedule should be held by the Directorate.
- An original signed copy of the agreement and schedule should be provided to the supplier.
- A copy of the agreement and schedule should be sent to the Trust Supplies Department marked for the attention of Supplies Team 2.
- If products are added to or removed from the consignment stock, a Change Control Note (Appendix B) should be completed together with an addendum to the product-listing schedule (i.e. Annex 1 to the Consignment Agreement Form) and actioned in terms of signature and copying as the original agreement.

A flowchart detailing the relevant steps within the process is attached as Appendix D(i) and Appendix D(ii).

10 Replenishing the Consignment

It is the Trust's responsibility to replenish the consignment when it has consumed product. This should be effected by Directorates raising a non-stock requisition form for the required products and submitting it to the Trust Supplies Department. The requisition content and format should be in all respects the same as for replenishment of Trust-owned product other than the annotating of the requisition
Replenishment of Consignment Stock. In some circumstances (e.g. for implantable products), suppliers may require the Trust to inform them of the batch, lot or serial numbers of consumed product and in such circumstances this information should be provided on the requisition form for transcription onto the Trust’s official order.

11 Storage, Management and Stocktaking of Consigned Products

11.1 Consigned products should be stored in a safe and secure environment – the Trust is liable for any physical loss or damage to products whilst held on Trust premises.

11.2 Whilst the supplier will be responsible for replacing at no charge any consigned product which goes beyond its expiry date, products should be used in date order with the shortest expiry date product used first.

11.3 Consigned products should be stored in a way which enables them to be clearly differentiated from Trust-owned stock. Unless specifically agreed to by suppliers, neither the products nor their packaging should be marked in any way to assist this differentiation – marking the product or packaging is likely to make it non-returnable to the supplier.

11.4 The supplier should be provided with access to the consigned stock for the purposes of inspecting and recording quantities, quality and condition of the consigned products. This inspection which will be undertaken at least every 6 months should be by appointment only and the supplier should be accompanied by an appropriate member of staff. A written record should be provided by the supplier, signed by both parties and a copy kept on file. Any products beyond their expiry date should be replaced by the supplier and any shortages or damaged product should be replaced by the Directorate by way of a non-stock requisition and an official purchase order. The loss should be recorded by the Directorate in the Trust’s Losses and Compensation Register maintained by the Finance Directorate. Any discrepancy (shortages or damage) advised by the supplier more than 3 months following the inspection will be considered invalid, this point being confirmed in the Trust’s Consignment Agreement Form.

11.5 In exceptional circumstances, the supplier may be permitted to remove consigned products for urgent supply to other healthcare providers – a record should be kept showing the date of removal and replacement by the supplier. In no circumstances should the supplier be permitted to remove consigned instrumentation for supply to other healthcare providers.

11.6 When stocktaking, Directorates should omit consigned products from their stock count and stocktaking return.

12 Termination of Consignment Agreements

When a consignment arrangement is no longer required and terminated, it is important that accurate records are maintained confirming the return and removal of the consigned products. The stock should be replenished to the levels detailed in
the consignment agreement and the products should be set aside for return. A Consignment Termination Form (see Appendix C) should be completed and signed by the Directorate Manager or nominated deputy. The form should be countersigned by the supplier prior to removal of the consigned product. The following procedure should be adopted in relation to the Consignment Termination Form:

- The form should be signed by the Directorate Manager or nominated deputy and the supplier.
- An original signed copy of the form should be held by the Directorate.
- An original signed copy of the form should be provided to the supplier.
- A copy of the form should be sent to the Trust Supplies Department marked for the attention of Supplies Team 2.

A flowchart detailing the relevant steps within the process is attached as Appendix D(iii)

13 Equality and Diversity

The Trust is committed to ensuring that, as far as is reasonably practicable, the way we provide services to the public and the way we treat our staff reflects their individual needs and does not discriminate against any individuals or groups on any grounds. This document has been properly assessed.

14 Monitoring Compliance

A Trustwide record of all consignment stock arrangements, current and terminated, shall be held by the Trust Supplies Department by way of copies of all Consignment Agreement Forms and Consignment Termination Forms.

<table>
<thead>
<tr>
<th>Standard/process/issue</th>
<th>Monitoring and audit</th>
<th>By</th>
<th>Committee</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consignment Stock Agreement</td>
<td>All Consignment Stock Agreements are approved prior to signature</td>
<td>Director of Supplies and Procurement</td>
<td>At initiation of the agreement</td>
<td></td>
</tr>
<tr>
<td>Change Control</td>
<td>All Change Control Requests are initiated, approved and recorded by the Directorate Manager (copied to the supplier and supplies team 2)</td>
<td>Directorate Manager</td>
<td>At initiation of the required changes</td>
<td></td>
</tr>
<tr>
<td>Termination of Consignment Stock Agreement</td>
<td>The Termination of a Consignment Stock Agreement is initiated, approved and recorded by the Directorate Manager (copied to the supplier and supplies team 2)</td>
<td>Directorate Manager</td>
<td>At the termination of the agreement</td>
<td></td>
</tr>
</tbody>
</table>
15 Consultation and Review

The Consignment Stock Policy and Procedure was developed and reviewed by a working group chaired by the Director of Supplies and Procurement and comprising: Mr A Pike, Asst Directorate Manager, Peri-Operative and Critical Care; Charge Nurse R Fenwick, Maxillo Facial Theatres, RVI; Sr Christine Szijarto, Plastics Theatre, RVI; Sr Ee Suan Yeo, Neurosurgery Theatres, RVI; Sr Angela Carr, Orthopaedic Theatres, Freeman; Sr Amanda Hill, Catheter Labs, Freeman; Sr Jocelyne Cumberledge, Cardiothoracic Theatres, Freeman; Sr Carol Ewen, Interventional Radiology, Freeman; Brian Maxwell, Storekeeper, Orthopaedic Theatres, Freeman; Mr I Bestford, Head of Corporate Financial Management; and Mrs L Fitzgerald, Senior Buyer.

16 Implementation (including raising awareness)

The Policy and Procedure for the Consignment of Clinical Consumables, Devices and Surgical Instruments from Suppliers will be circulated to Directorate Managers, disseminated via the Theatre User Group and published on the Trust’s Intranet.

17 Associated Documentation

Handling of Surgical Instruments on Loan
CONSIGNMENT STOCK AGREEMENT

DATED:

BETWEEN:

(1) The Newcastle Upon Tyne Hospitals NHS Foundation Trust, Freeman Hospital, High Heaton, Newcastle upon Tyne NE7 7DN (“The Customer”); and

(2) ……………………………………………………………………………………
…………………………………………………………………………… (“The Company”)
(together the “Parties”)

WHEREAS

The Customer requires the Company to supply those products listed in Annex 1 to the Customer on a Consignment Stock basis and on the terms and conditions set out below.

THEREFORE THE PARTIES HEREBY AGREE AS FOLLOWS:

1 Definitions

1.1 “Consignment Products” means those products belonging to the Company and/or its affiliates specified in Annex 1 to be supplied to the Customer pursuant to this Agreement and to be held by the Customer in the Consignment Stock.

1.2 “Consignment Stock” means the stock of the Consignment Products held by the Customer at the Facility on a consignment basis.

1.3 “Facility” means such storage and/or warehousing facility of the Customer as the Customer shall specify to Company for the receipt and storage of the Consignment Stock.

1.4 “Replenishment” means the process by which the Customer will order and pay for replacements of Consignment Products it has consumed from the Consignment Stock.

2 Obligations of the Parties

2.1 The Company shall supply to the Customer and the Customer shall hold on consignment at the Facility those Consignment Products required by the Customer pursuant to this Agreement and detailed in Annex 1 hereto.

2.2 As and when required for use by the Customer, the Customer shall physically pick and remove from the Facility each required Consignment Product. In doing so, the Customer shall draw upon the stock of Consignment Products on a first in/first out basis
2.3 Within 14 days of the use by the Customer of a Consignment Product, the Customer shall raise a purchase order to replenish the Consignment Stock and the Company shall raise and issue to the Customer an invoice for the sale of such Consignment Product to the Customer.

2.4 All purchase orders for Consignment Products to replenish the Consignment Stock issued by the Customer shall at a minimum include details of product type, product model, product catalogue number, quantity, price and purchase order number.

2.5 All orders for and deliveries of Consignment Products to replenish the Consignment Stock made pursuant to this Agreement and each sale of Consignment Product by the Company to the Customer hereunder shall (save as superseded by the provisions of this Agreement) be made on the NHS Terms and Conditions for Sale of Goods as specified in Annex 2 and at the prices referenced in Annex 1.

2.6 All deliveries of Consignment Products to replenish the Consignment Stock shall be made by the Company to the Facility and shall be tracked, registered and delivered to the Facility with accompanying transport documentation clearly stating the purchase order number for such products and referencing that such products are Consignment Products.

2.7 The Company representative and a Customer representative from the Company’s department holding the Consignment Stock will by appointment carry out regular stock checks to establish the following:

(a) that products which are out of date are removed and replaced by the Company
(b) that stock levels are adequate to provide for current usage
(c) that stock rotation is occurring (First In First Out)

3 Payment Terms

The Customer shall make payment in full for each purchase of Consignment Products to replenish the Consignment Stock within 30 days from the receipt of an invoice issued by Company. Payment shall be made by BACS to the Company.

4. Consignment Stock and Storage

4.1 The Customer shall store the Consignment Products in a secure location at the Facility in accordance with all instructions provided by the Company and all storage conditions indicated on the packaging of the Consignment Products.

4.2 Following delivery of the Consignment Products by the Company to the Facility, the Consignment Products shall not be moved or removed from the Facility by the Customer other than for use in accordance with the provisions of clause 2, for return to the Company pursuant to clause 4.7 or 6.3, or with the prior written consent of the Company.
4.3 Following delivery of the Consignment Products by the Company to the Facility, the Consignment Products shall not be moved or removed from the Facility by the Company other than pursuant to clause 4.7 or 6.3, or in exceptional circumstances where Consignment Products are removed by the Company for urgent use by another healthcare provider and replaced by the Company in due course. In such circumstances, a signed record shall be maintained by the Company and the Customer showing the date of removal and return. For the avoidance of doubt, such exceptional circumstances shall not apply to consigned surgical instrumentation.

4.4 The Customer shall handle and store the Consignment Products with all due care and skill so as to maintain them in perfect condition and shall protect the Consignment Products from any loss or damage.

4.5 The Customer will visibly demarcate the Consignment Stock as the property of the Company keep the Consignment Stock separate from other goods kept in stock including other products purchased from the Company so that it shall be immediately clear that the Consignment Products are Consignment Stock and are the property of the Company.

4.6 The Parties agree that the Company and its authorised representatives shall be entitled at an agreed time (and in any event no less than every six months) on the giving of reasonable notice, to inspect the Facility to audit and verify the contents, quantity, quality and condition of the Consignment Products provided in the Consignment Stock and their conditions of storage. A written record showing Consignment Stock quantities, quality and condition at the time of inspection shall be made by the Company, signed by both parties with a copy provided to both parties. Any discrepancy between the quantities of Consignment Products counted and those detailed on Annex 1 or in the quality or condition of any Consignment Product should be advised to the Customer by the Company immediately. Any discrepancy advised to the Customer by the Company more than 3 months following the inspection shall be considered invalid.

4.7 Following inspection of the Consignment Products in the Consignment Stock by the Parties as provided for in clauses 2.7 and 4.4. hereto, any Consignment Products which are no longer within their use-by or expiry date will be removed and replaced by the Company at no cost to the Customer. A record of any Consignment Products removed for replacement will be prepared by the Company and signed by the Parties prior to removal and a similar record prepared by the Company and signed by the Parties on receipt of the replacement Consignment Products.

5. Title and Risk and Insurance

5.1 Title and ownership of the Consignment Stocks shall remain with the Company until payment in full for each specific Consignment Product has been received by the Company from the Customer, at which point title and ownership shall transfer to the Customer.
5.2 Other than as detailed in 5.3 below, the risk of loss and damage to the Consignment Products shall remain with the Company until their delivery to the Facility. The Customer shall be responsible for any loss or damage caused to the Consignment Stocks following their delivery to the Facility.

5.3 The risk of loss to the Consignment Stock arising from Consignment Products exceeding their use-by or expiry dates shall in all circumstances remain with the Company.

5.4 The Customer shall insure the Consignment Stocks against loss or damage due to fire, flood, theft and other such risks via the NHS Litigation Authority Risk Pooling Scheme.

5.5 The Company will indemnify the Customer in respect of its liabilities in accordance with and via its participation in the NHS Master Indemnity Agreement (MIA) scheme, see [http://nhsmia.bipsolutions.com/](http://nhsmia.bipsolutions.com/)

6. Term and Termination

6.1 Subject to clause 6.2, this Agreement shall commence as of the date specified on the front page of this Agreement and shall remain in force until terminated by either party.

6.2 This Agreement may be terminated at any time by either party on the service of one month's written notice to the other.

6.3 On any termination of this Agreement the Company shall arrange to uplift all Consignment Products still held by the Customer in the Consignment Stocks.

7 Law and Jurisdiction

7.1 This Agreement shall be governed by English law and the English courts shall have exclusive jurisdiction over any disputes arising hereunder.

IN WITNESS WHEREOF, The undersigned agree to the terms and conditions of this Agreement and Annexes hereto

Signed by:       Date:

……………………………………..

Print Name:

…………………………

Job Title:
For and on behalf of [the COMPANY]
Signed by:       Date:

……………………………………..       ………………………
Print Name:

……………………………………..
Job Title:
For and on behalf of
[THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST]
## Annex 1

### List of Consignment Products

<table>
<thead>
<tr>
<th>Product Description</th>
<th>Product Reference</th>
<th>Unit of Supply</th>
<th>Replenishment Price per Unit of Supply (£)</th>
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NHS Conditions of Contract for the Purchase of Goods
August 2014

NHS Terms and Conditions for the Supply of Goods (Purchase Order Version)

NHS Terms and Conditions for the Supply of Goods (Contract Version)
CONSIGNMENT STOCK AGREEMENT
CHANGE CONTROL NOTE

DATED:

BETWEEN:

(1) The Newcastle Upon Tyne Hospitals NHS Foundation Trust, Freeman Hospital, High Heaton, Newcastle upon Tyne NE7 7DN ("The Customer"); and

(2) ..........................................................................................................................
........................................................................................................
(The Company)
(together the "Parties")

WHEREAS

The Parties entered into a Consignment Stock Agreement on [Date], they now wish to amend that agreement by changing the quantity and/or type of products consigned by the Company to the Customer. Accordingly the revised enclosed Annex 1 document listing the quantity and type of products consigned, replaces Annex 1 to the original Consignment Stock Agreement.

Signed for on behalf of The
Newcastle upon Tyne Hospitals
NHS Foundation Trust

Signed for on behalf of
(Company Name)

.............................. Signed
.............................. Signed

.............................. (Title)
.............................. (Title)

.............................. date
.............................. date
Annex 1 to CCN (dated ……)

List of Consignment Products

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<tr>
<th>Product Description</th>
<th>Product Reference</th>
<th>Unit of Supply</th>
<th>Replenishment Price per Unit of Supply (£)</th>
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</tbody>
</table>
CONSIGNMENT TERMINATION AGREEMENT FORM

DATED:

BETWEEN

(1) The Newcastle Upon Tyne Hospitals NHS Foundation Trust, Freeman Hospital, High Heaton, Newcastle Upon Tyne, NE7 7DN (“The Customer”); and

(2) ………………………………………………………………………………………………………………………………………………………………………...(“The Company”)
(together the “Parties”)

WHEREAS

The Customer and the Company (the Parties) entered into a Consignment Stock Agreement dated [date of original agreement] (copy attached) both Parties now wish to terminate the Agreement and confirm the following:

1. All Consignment Products in the Consignment Stock have been inspected by the Parties who together confirm:
   
   (i) that the quantities of Consignment Products in the Consignment Stock are consistent with the quantities specified in Annex 1 to the Consignment Agreement YES/NO*
   
   (ii) that the Consignment Products in the Consignment Stock are in a condition acceptable to the Company and not damaged in any way YES/NO*

2. The Consignment Products in the Consignment Stock have been uplifted by the Company [or arrangements made for uplift on date] YES/NO*

IN WITNESS WHEREOF, The undersigned agree that the Consignment Stock Agreement is now terminated.

Signed by: Date:

……………………………………..……………………………………

Print Name:

……………………………………..

Job Title:

For and on behalf of [the COMPANY]
Signed by: 

……………………………

Print Name:

……………………………

Date: 

……………………………

Job Title:
For and on behalf of
[THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST]

* Delete as appropriate. If any response is “NO”, explanatory comments should be added below.

Comments (if applicable)
Process for the Completion, Approval & Retention of Consignment Agreement Forms  Appendix D(i)

1. Directorate Manager Prepares Consignment Stock Agreement Form (Draft)
2. Director of Supplies and Procurement Approves Draft Consignment Agreement Form
3. Directorate Manager Signs Consignment Agreement Form
4. Supplier Signs Consignment Agreement Form
5. Directorate Manager Retains Copy of Signed Consignment Agreement Form
6. Copy to Supplier
7. Copy to Supplies Team 2
Process for Adding to or Removing Products from Consignment Agreement Forms  

Directorate Manager Prepares Change Control Note with addendum to product-listing schedule

Supplier Signs Change Control Note with addendum to product-listing schedule

Directorate Manager Retains copy of Change Control Note with addendum to product-listing schedule

Copy to Supplier

Copy to Supplies Team 2
Termination of Consignment Agreements

Appendix D (iii)

Directorate Manager Prepares Consignment Termination Form

Supplier Signs Contract Termination Form

Directorate Manager Retains Signed Consignment Termination Form

Copy to Supplier

Copy to Supplies Team 2

Supplier Uplifts Consignment Stocks
The Newcastle upon Tyne Hospitals NHS Foundation Trust

Equality Analysis Form A

This form must be completed and attached to any procedural document when submitted to the appropriate committee for consideration and approval.

PART 1

1. Assessment Date: 20th May 2016

2. Name of policy / strategy / service:
   Consignment of Clinical Consumables, Devices and Surgical Instruments from Suppliers – Policy and Procedure

3. Name and designation of Author:
   Helen Lisle – Director of Supplies and Procurement

4. Names & designations of those involved in the impact analysis screening process:
   Lesley Fallon, Deputy Assistant Supplies Manager & Lucy Hall, Equality and Diversity Lead

5. Is this a: Policy x Strategy [ ] Service [ ]
   Is this: New [ ] Revised x
   Who is affected Employees x Service Users [ ] Wider Community x

6. What are the main aims, objectives of the policy, strategy, or service and the intended outcomes? (These can be cut and pasted from your policy)
   The aim of this policy and procedure is to ensure that for any products consigned to the Trust by suppliers, such arrangements are put in place only when appropriate, that appropriate records are maintained, that product liability is clearly documented, that the ownership of products is clear and differentiated from conventionally procured Trust-owned products and that responsibility and accountability for the management of consigned products is defined and understood.

7. Does this policy, strategy, or service have any equality implications? Yes [ ] No x

   If No, state reasons and the information used to make this decision, please refer to paragraph 2.3 of the Equality Analysis Guidance before providing reasons:
   This policy and procedure universally benefits all service users and therefore, the protected group(s)
8. **Summary of evidence related to protected characteristics**

<table>
<thead>
<tr>
<th>Protected Characteristic</th>
<th>Evidence, i.e. What evidence do you have that the Trust is meeting the needs of people in various protected Groups</th>
<th>Does evidence/engagement highlight areas of direct or indirect discrimination? If yes describe steps to be taken to address (by whom, completion date and review date)</th>
<th>Does the evidence highlight any areas to advance opportunities or foster good relations. If yes what steps will be taken? (by whom, completion date and review date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race / Ethnic origin (including gypsies and travellers)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Sex (male/ female)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Religion and Belief</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Sexual orientation including lesbian, gay and bisexual people</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Age</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Disability – learning difficulties, physical disability, sensory impairment and mental health. Consider the needs of carers in this section</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Gender Re-assignment</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Marriage and Civil Partnership</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Maternity / Pregnancy</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

9. **Are there any gaps in the evidence outlined above? If ‘yes’ how will these be rectified?**

N/A

10. **Engagement has taken place with people who have protected characteristics and will continue through the Equality Delivery System and the Equality Diversity and Human Rights Group. Please note you may require further engagement in respect of any significant changes to policies, new developments and or changes to service delivery. In such circumstances please contact the Equality and Diversity Lead or the Involvement and Equalities Officer.**

Do you require further engagement? Yes [ ] No [X]

11. **Could the policy, strategy or service have a negative impact on human rights? (E.g. the right to respect for private and family life, the right to a fair hearing and the right to education?**

N/A
PART 2

Name: Lesley Fallon

Date of completion: 20th May 2016

(If any reader of this procedural document identifies a potential discriminatory impact that has not been identified, please refer to the Policy Author identified above, together with any suggestions for action required to avoid/reduce the impact.)