

THE SCOTTISH OFFICE

National Health Service in Scotland
Management ExecutiveSt. Andrew's House
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Dear Colleague

UP TO A MILLION POUNDS OFF NHS TELEPHONE
BILLS IN SCOTLAND

Summary

1. The NHS in Scotland stands to gain about a million pounds each year for patient services. That is the outcome of negotiations which have been conducted with both BT and Mercury by the NHS on a national basis, notice of which was given to you within MEL(1993)70 dated 21 May 1993. BT and Mercury have each agreed to recognise the NHS as a corporate entity; this enables the Service as a whole to qualify for significant discounts on its telephone bills. While the BT and Mercury corporate schemes operate in different ways, each requires action at local level if maximum advantage is to be obtained.

Mercury Customers

2. Under Mercury's Corporate Plan, the immediate cost benefit is significantly reduced quarterly fees for sites directly or indirectly connected to the Mercury network. Mercury is now applying these reduced site fees automatically. However because lower site fees in turn reduce the thresholds for entry to higher saving Frequent Caller Programmes, it is strongly recommended that NHS Mercury customers now ensure, and indeed review regularly, that they are subscribing to the most advantageous Frequent Caller Programme.

BT Customers

3. The BT deal is a specially tailored version of their Option 2000 and offers greater benefits than any other of BT's "Options". Broadly the higher the volume of call charges on a bill, the higher the percentage (up to 16%) that will be discounted and thereby become available for re-deployment by the Health Board, NHS Trust, General Practice or other NHS organisation footing the bill. Achievement of maximum savings is dependent on reducing to a minimum the number of separate telephone bills received by each organisation. Switching from existing BT billing arrangements to those of Option 2000 will enable charges for all telephone lines serving an NHS organisation, irrespective of the number or location of sites it may include, to be aggregated within a single bill for that Organisation. An Option 2000 bill will give more

22 December 1993

Addressees

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COMMON SERVICES AGENCY

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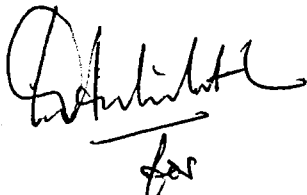
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management information than the present system provides. For instance BT will group telephone numbers together on the bill as may be required to allocate elements of the bill to separate, NHS customer, cost centres. Thus for each NHS organisation, opting for a single telephone bill under the Option 2000 scheme will bring maximum financial savings.

4. Further details, including arrangements for transferring from existing BT tariffs to the new system, will be promulgated shortly. However to minimise delay in realising benefits from the Option 2000 scheme, Health Boards, NHS Trusts and other NHS organisations will wish to review their arrangements for managing, accounting and paying for the BT services they receive. Accordingly each should prepare now a full list of the telephone lines they wish to transfer to the new scheme, indicating which should be grouped together on their telephone bill. In January BT Account Managers will be initiating a programme of visits to their NHS customers to discuss the Option 2000 scheme; availability of the full lists at these meetings will speed up the transfer process.



C B KNOX
Director of Information Services