

May 2018

## Omnicell Upgrade and Going Live:

### Headlines...

- In this second newsletter we provide an update on progress in HPL since going live on 1<sup>st</sup> April.
- Our first newsletter came out in late March. We are aware this did not reach everyone so this is reissued again at the end of this issue.
- HPL is now up and running. There were some start up issues mainly to do with Omnicell and stock levels of medical consumables.
- Hard work by everyone in Operations in the Trust and in HPL ensured there were no risks to patients.
- Stock levels have now returned to normal and we are working with Omnicell to resolve their software issues.
- Planning is underway to transfer EME and Radiotherapy Technical Services functions into HPL later this year

***HPL will drive improvements in quality, service delivery and transformational change. In the next 12 months we will achieve over £3m of savings for the Trust.***

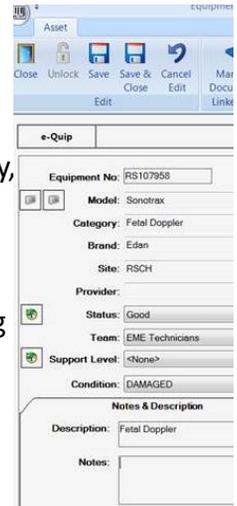
- Omnicell has been the Trust inventory management system for the last 5 years. It comprises 45 cabinets which store, dispense and auto order medical consumables. There is also a virtual system for areas which do not have cabinets.
- The initial operation of HPL was adversely affected by issues with an Omnicell upgrade as the business went live. This affected medical consumable stock items, mainly in Theatres and ICU.
- Thanks are due to both Trust staff in these areas and HPL who worked hard to recover the situation and to ensure there was no impact on patients. Jenny Price in Theatres and Sue Herson in ICU deserve special recognition.



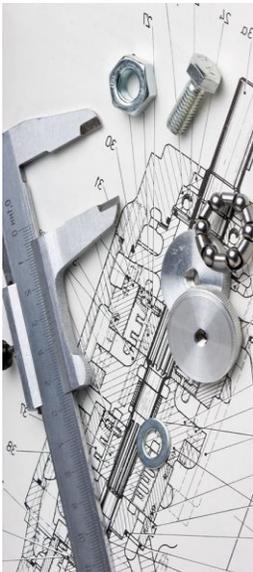
- These issues were a result of the Omnicell upgrade rather than HPL coming into operation.
- In investigating the root causes we have identified some software and historic configuration issues which are currently being fixed.
- Stock levels have now returned to normal but we are closely monitoring the situation until all issues are fixed.
- This has also shown that a revision of Trust stock levels is overdue. On some items there is too much stock but on others too little, especially single stock items.

## eQUIP

- HPL's new medical device asset database already stores information on over 10,500 devices as it continues to be rolled out across the Trust.
- So far EME, the Equipment Library and ICU are using eEquip to manage device servicing and maintenance. By July it will be rolled out to Theatres, Radiotherapy, Audiology, Nuclear Medicine, Radiology and Endoscopy.
- The database records device age, ownership details (owned/ leased/ loan), and costs which creates a foundation for Equipment Replacement Planning.
- eEquip is already being used to record, plan and carry out Electrical Safety testing and Preventative maintenance as well as faults and breakages.
- The database stores centralised information including device manuals, external service contracts, records of service visits, images and where necessary Medical Device Alerts. This also enables the Trust to be CQC and MHRA compliant.



## Equipment Servicing Contracts



- At go live in April all equipment servicing contracts in the Wave 1 departments (Endoscopy, ICU, Radiology, Audiology, Nuclear Medicine and Radiotherapy, Theatres, HSDU) moved to HPL.
- At the same time HPL has a watching brief over other contracts still owned by the Trust as it manages their procurement.
- Between HPL and the Trust there are over 155 service contracts which are generally reviewed on an annual basis although some are longer term.
- The value of these contracts is almost £3m per annum.
- Initially some third party companies struggled to recognise HPL despite letters and e mails advising them of the change. However the Trust had service cover throughout.
- Today all contracts have been signed apart from a few where we are amending the scope or pricing of arrangements.
- The hard work begins now, meeting with big suppliers such as Olympus, GE, and Varian in reviewing the contracts and achieving synergies.

## Transformation Projects

HPL is also in the early stages of defining a number of key transformation projects that will be driven forward over the next 18 months:

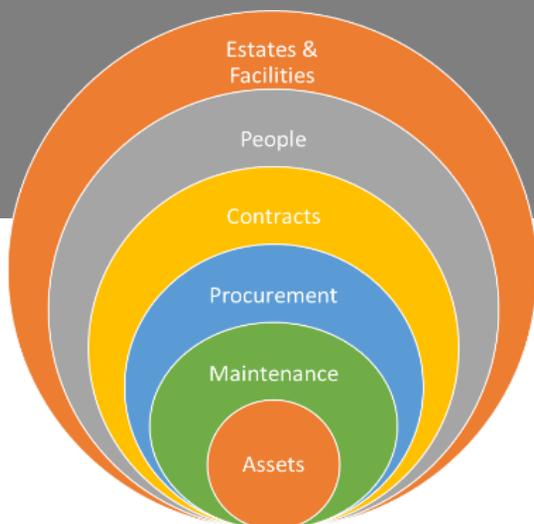
- **Sterile Services** – creation of a new HSDU that will incorporate all Trust decontamination services.
- **Theatres** – new approaches to surgical preference cards, loan and instrument sets, and overall medical equipment
- **Supply Chain** – transforming our Procurement function to a modern Supply Chain organisation, including a review of Omnicell.
- **Engineering Services** – how can we develop our EME and Radiotherapy service teams. Can we do more in house and reduce reliance on 3<sup>rd</sup> party suppliers.
- **Print Managed Services** – rationalisation and replacement of printers, scanners and photocopiers across the Trust.



## Want to know more about HPL?

**FOR MORE INFORMATION OR IF YOU WANT TO GIVE USE YOUR COMMENTS PLEASE CONTACT  
VICKIE IRLAM Telephone extension: 3004 E mail: victoria.irlam@nhs.net**

- WELCOME TO HPL....
- This is the first of regular newsletters from Healthcare Partners Ltd (HPL): a new managed healthcare services company owned by the Trust.
- HPL comes into operation from the 1st April and is responsible for procurement across the Trust and medical equipment, servicing, and contracts in specific departments.
- Our aim is to provide the Trust, and especially clinical staff, with exemplary service quality in these areas whilst delivering operational and financial benefits.
- As a subsidiary of the Trust we are a part of the RSCH family and the NHS



## WHY CREATE HPL?

- Procurement, contracts and servicing of medical equipment is highly dispersed across individual departments in the Trust.
- HPL will consolidate and achieve synergies in these to bring about operational and financial efficiencies, as well as transformation of future service delivery.
- We will also release clinical staff from having to manage these items and so free up time for them to deliver more patient care.

## WHAT DEPARTMENTS ARE IN SCOPE?

**#1 All departments** - Purchasing of most non-pay items for the Trust through our Supply Chain and Procurement team.

**#2 Full managed services** - for the provision of medical equipment, maintenance, servicing, contracts and facilities for specific departments:

- Endoscopy • Radiology • ICU
- HSDU • Audiology
- Theatres including Surgery & Anaesthetics
- Radiotherapy including Technical Services & Nuclear Medicine
- Other departments such as Cardiology to transfer to full managed services later in the year

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## WHAT WILL CHANGE?

- From the 1st April the ordering of non pay items will continue as now on the SBS system except for the Full Managed Services departments.
- For the Full Managed Services departments a small new team of professional buyers will handle all purchasing and orders through a separate HPL SBS system. At the same time HPL will take on responsibility for medical equipment and servicing.



## DID YOU KNOW?

### Purchase orders by the Trust each year:

Order lines - 218,000  
Actual orders - 53,000  
Total value - £53m  
Omniceil purchases - £8.5m

### Medical Equipment

Total items - 10605  
Original cost - £37m  
Most expensive – Linac Stereotactic £1.8m  
Least expensive – Oxygen Flow meter - £19  
Average age of equipment – 6 years 9 months

### Service Equipment Contracts

Total contracts - 155 on record  
Average value - £19301 per annum  
Largest supplier - GE

## WHAT AND WHO TRANSFERS TO HPL?

- All medical equipment and their contracts for the Full Managed Service areas will transfer from the Trust to HPL. Going forward HPL will own, service and replace that equipment.
- The current Trust Procurement team will transfer to HPL on the 1st April. Technical service and maintenance staff are planned to transfer later this year once consultation on TUPE is completed. The employment rights, terms and conditions of employment, and NHS pensions of affected staff are not affected and will be maintained in their roles into the future. Clinical staff remain with the Trust.

## WHAT HAS BEEN ACHIEVED SO FAR?

- There has been a great deal of preparation to bring HPL into operation including:
- Production of a new manual of operational processes e.g. ordering and servicing
- Development of service schedules for Full Managed Services depts.
- Development of a new SBS system for HPL
- Governance arrangements so the HPL is formally established as a subsidiary Company of the Trust
- TUPE consultation completed for Procurement staff
- Recruitment of additional procurement and business partner staff to support new processes and drive transformational scheme
- Development of a new medical equipment asset base, e-Quip, which now lists over 10,500 items

## WHERE NEXT?

As you would expect we have some challenging plans in the year ahead:

- Supporting Trust departments in the delivery of their non-pay cost improvement programmes
- Equipment servicing contract rationalisation and savings, especially with the big suppliers
- Working with the Trust clinical staff to develop a medical equipment strategy replacement programme and how this is funded
- Potential transformation schemes in decontamination (HSDU and Endoscopy), theatres procurement, and in house medical equipment servicing

## HOW SEPARATE IS HPL TO THE ROYAL SURREY?

HPL is a company with its own office and staff. However, it is fully owned by the Trust and will comply with the Trust's values and behaviours. The Trust is also our prime customer and our staff are part of the wider RSCH family

# HPL – The Team

## HPL Team @ 23<sup>rd</sup> March 2018

Centre Resources	Operations	Procurement
Alf Turner – Managing Director	Mark Magrath – Head of Office Operations	Richard Woodage – Head of Supply Chain
Vickie Irlam – Office Manager	Vanessa Bollons – Business Partner	David Atkins-Clarivette - Contracts Manager
Bill Stronach – Finance Director	Teresa Fhay – Business Partner	Adrian Martyn - Procurement Officer (SBS)
Sam Simpungwe - Financial Accountant	Tim Banks – Head of Medical Equipment Services	Kelly Hale - Supply Chain Assistant
Alasdair Coyle - Head of HR	Mark Trotter - Catalogue Manager	Marcus Irving - Supply Chain Assistant
Ian Lucern – Buyer	Jacque Still - Inventory System Manager	Pam Jones - Materials Management Supervisor
Laura Parnell - Materials Management Supervisor	James Siggery - Supply Chain Assistant	Piers Quarless - Supply Chain Assistant
Richard Clifton - Supply Chain Assistant	Dorothy Owczarkowski - Supply Chain Assistant	Mai Rai - Theatre Buyer

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