

AN INNOVATIVE APPROACH TO
CONSOLIDATION
BY GUY'S AND ST THOMAS' TRUST



PROJECT STEPS

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CLEAN AIR VILLAGES PROGRAMME

This case study was commissioned by Cross River Partnership (CRP), a non-profit and impartial partnership organisation delivering projects that positively contribute to the social, environmental and economic health of London.

This case study was developed as part of the Clean Air Villages 2 project, funded by Defra's Air Quality Grant. The project aims to reduce emissions in 13 hotspot 'villages' of poor air quality across the London Boroughs of Lewisham, Camden, Hammersmith & Fulham, Lambeth, Wandsworth, The Royal Borough of Kensington and Chelsea, and the City of Westminster. Within these villages, CRP is working with businesses and communities to make deliveries and servicing more efficient, using both individual and collective action.

In 2020-21, the project is expanding into new areas as part of [Clean Air Villages 3](#).

For more information about the project, and to access further resources and case studies, please visit: crossriverpartnership.org/projects/clean-air-villages-2/

As part of Clean Air Villages 2, CRP held the quarter three steering group meeting at the Dartford Hub, where partners went on a tour of the site.



Department
for Environment
Food & Rural Affairs

 **CROSS RIVER
PARTNERSHIP**
CLEAN AIR VILLAGES

INTRODUCTION

In 2019, **Guy's and St Thomas' NHS Foundation Trust**, in partnership with **CEVA Logistics**, established a new storage and consolidation centre in Dartford to **redirect more than 36,000 deliveries** away from their central London estate each year. This innovative approach to consolidation enables better use of hospital facilities to **ensure the patient is put first.**

This best practice document outlines the processes, challenges, and solutions in setting up a new approach to consolidating the hospital supply chain: from establishing the business case through to securing the right location and incorporating this system within daily operations.



“ THIS NEW SUPPLY CHAIN HUB WILL **REDUCE THE NUMBER OF DELIVERIES TO OUR HOSPITALS BY 90%**, WHICH WILL REMOVE OVER 36,000 TRUCK DELIVERIES EACH YEAR. THIS IS PART OF OUR AMBITIOUS STRATEGY TO **REDUCE OUR CARBON FOOTPRINT AND IMPROVE OUR SUSTAINABILITY** WHILE ENSURING CRITICAL DELIVERIES ARE MADE EVERY DAY ACROSS OUR CENTRAL LONDON HOSPITALS. WE ARE VERY PLEASED TO COUNT ON CEVA LOGISTICS’ EXPERTISE AND DRIVE FOR INNOVATION. ”

**DAVID LAWSON
CHIEF PROCUREMENT OFFICER
AT GUY’S AND ST THOMAS’**



1

BACKGROUND AND INITIAL CONCEPT

The Guy's and St Thomas' Estate is located in a highly congested area of central London. In 2019, the Trust was receiving up to 160 deliveries a day – the equivalent of **one delivery every three minutes.**

Deliveries ranged from clinical supplies to bed linen with many goods being stored on-site for future use. Ensuring that the patient is put first, the Trust's plans to develop the Estate include the expansion of clinical services, prioritising space for patient care.

! CHALLENGE

It was clear that the overwhelmed service yard would not be able to cope with an increase in the volume of vehicles generated by expanding services at the Estate.

✓ SOLUTION

A business case was established for an off-site consolidation centre which would drastically reduce the number of deliveries arriving at the Trust's central London sites.

! CHALLENGE

Owing to limited space in London, plans to expand put pressure on the Trust to prioritise space for patient care within the existing Estate.

✓ SOLUTION

The Trust hired a consultant to model potential solutions to reduce the impact of additional deliveries generated as part of expansion plans. Several internal departments were involved with the modelling process to produce an accurate picture of existing delivery patterns across the Estate.

+ OTHER BENEFITS OF THE HUB



OTHER BENEFITS OF THE HUB:

- 1. Freeing up critical space** at the hospital, currently being used to store spare equipment and cleaning products.
- 2. Deliveries are pre-sorted** at the consolidation centre. This enables important clinical supplies to be **distributed more efficiently** to different departments upon arrival at the hospital sites.
- 3.** The Guy's and St Thomas' Estate processes around **2,000 tonnes** of cardboard each year. Outer packaging is now removed at the consolidation centre, **reducing the volume of waste generated at the hospital sites** and therefore the frequency of waste collections.
- 4. Clinical staff time prioritised** for patient care by removing the time spent processing deliveries upon arrival at the hospital and wards.
- 5. Removing congestion and pollution** from central London by reducing the number of deliveries arriving **on-site by up to 90%**. There is scope for deliveries from the consolidation centre to be made **using an electric vehicle in the future.**



2

FINDING A SUITABLE SITE

Having established a business case, research was conducted by contractors to find suitable locations for the consolidation centre that would meet the requirements of the Trust.

+ SUITABLE SITE REQUIREMENTS

! CHALLENGE

Facilities identified in and around London did not meet all the requirements, for example some lacked loading bays, yard space or access for HGVs.

✓ SOLUTION

A brand-new site was needed.

! CHALLENGE

Competing priorities in London has led to a loss of logistics land suitable for consolidation on this scale.

✓ SOLUTION

Authorities should prioritise logistics land to enable similar projects to be replicated elsewhere.





+ SUITABLE SITE REQUIREMENTS

A suitable site would need to meet the following requirements:

- Refrigerated storage facilities.
- High standard of hygiene, due to the storage of clinical supplies.
- Flexible internal space for future development.
- Enough internal and external yard space to accommodate consolidation on the scale proposed by the Trust.
- Suitable loading facilities to accommodate roll cages and tail lifts for different vehicle types.
- Good connections with major road links for both inbound deliveries and subsequent consolidated trips to the central London Estate.
- Located far enough from central London to ensure congestion and pollution sources are responsibly displaced.



Authorities should prioritise logistics land to enable similar projects to be replicated elsewhere.



3

FUNDING AND FINANCIAL SUPPORT

It is important to have a strong business case for the longevity of a scheme. Consolidation of deliveries can also have hidden benefits including financial savings as well as improvement of local air quality.

! CHALLENGE

Set-up costs are incredibly high for a new facility, with large investment required to secure a contract with CEVA Logistics for 5 years.

✓ SOLUTION

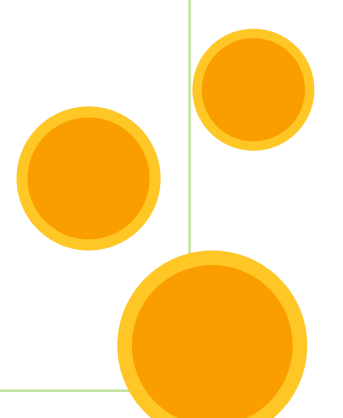
Trust secured initial financial support from NHS England as part of the research phase.

+ BENEFIT

By receiving 90% of supplier deliveries in the new facility, CEVA are able to remove and recycle up to 2,000 tonnes of waste cardboard annually that would otherwise have required segregating within the hospital settings.

✓ RESULT

Improved efficiency of hospital teams on-site, helping to ensure timely delivery of items to points of use in the hospital, contributing to upstream segregation and control of waste.



4

KEY STAKEHOLDERS INVOLVED

To make this project a success it was vital to engage relevant internal and external stakeholders.

Establishing a closer working relationship between the Procurement and Pharmacy teams has enabled other projects to be tested, such as switching from vans and motorbikes to cargo-bikes for transporting blood and tumours between Guy's and St Thomas' Hospitals.

! CHALLENGE

Reassurance was required in order to change existing processes and convince stakeholders that these changes would not generate operational problems.

✓ SOLUTION

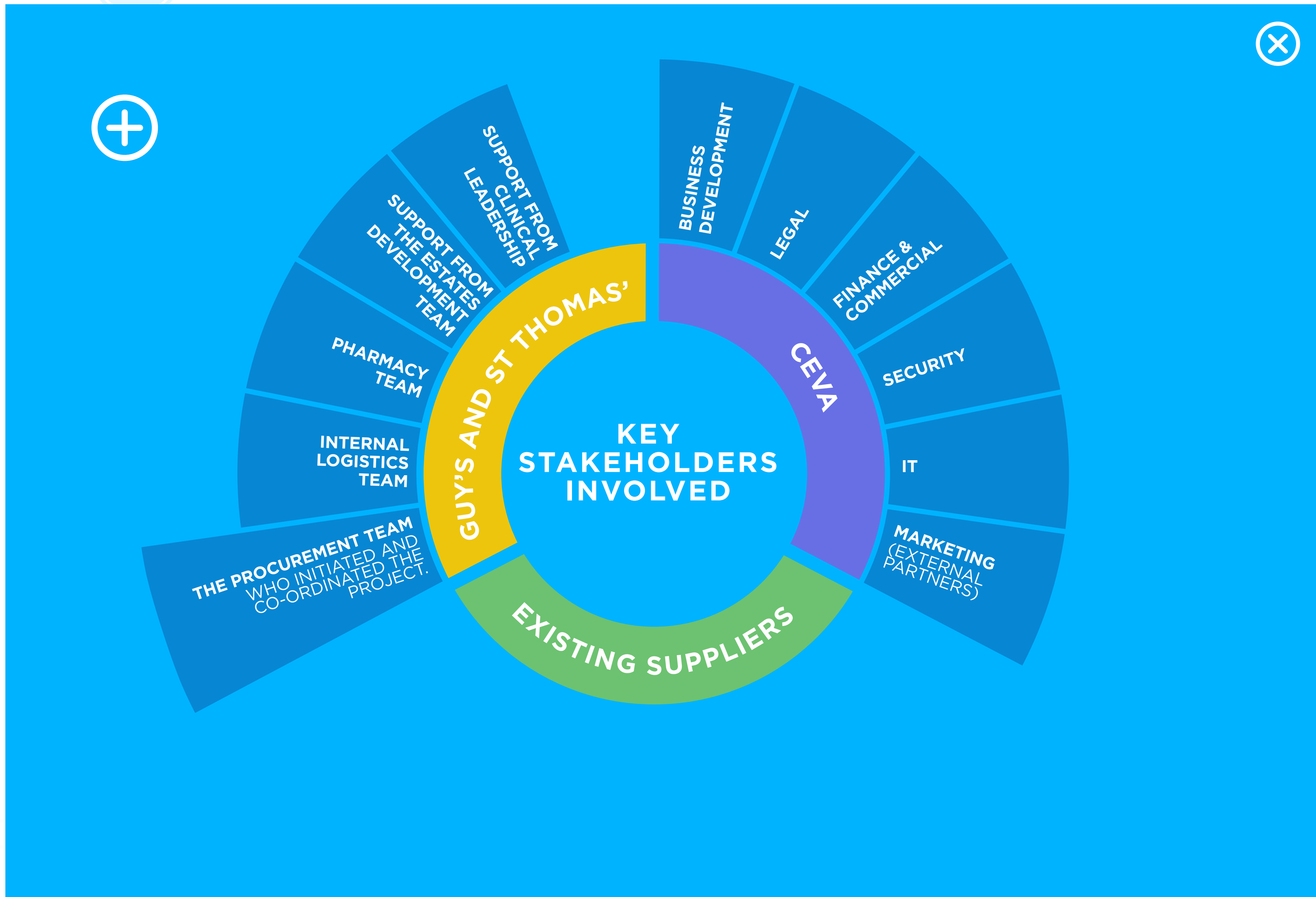
Inviting the stakeholders to the proposed consolidation site helped to provide reassurance and a better understanding of how the hub would help to improve the efficiency of the Trust's existing systems.

+ KEY STAKEHOLDERS INVOLVED



4

KEY STAKEHOLDERS INVOLVED



blood and tumours between Guy's and St.Thomas' Hospitals.



5 WHAT HAPPENS NEXT?

The Dartford facility is integral to the Trust's long-term strategy. Moving forwards, there are plans for the hub to be used beyond the traditional sense of a consolidation site, offering a space for storage as well as a centralised workspace for the Trust's procurement team who are currently spread across various sites. Relocation of goods and services not required at the hospital sites helps to create more space for vital patient care.



Video: SmartTogether Supply Chain Hub



EXCEPTIONAL CIRCUMSTANCES

The Dartford facility has been essential in creating supply for the exponential demand for PPE (Personal Protection Equipment) for frontline healthcare workers during the coronavirus pandemic.

CEVA Logistics worked in conjunction with iMakr Studio and Guy's and St Thomas' Hospital Trust, building a print farm with over 200 printers working around the clock to produce approximately 1,500 face shields a day. Guy's and St Thomas', and many other hospitals across the region, have been receiving these deliveries.



“

IT'S BEEN INCREDIBLE TO SEE SO MANY PARTNERS COLLABORATING TO GET THE 3D PRINT FARM RUNNING. THE TEAM OF VOLUNTEERS, ORGANISED BY OUR COMMERCIAL SERVICES COLLEAGUES, ARE ENSURING THAT WE'RE ABLE TO RAPIDLY PRODUCE OUR OWN FACE SHIELDS AND OTHER ITEMS TO SUPPORT OUR FRONTLINE STAFF AT THE TRUST. BEING ABLE TO PRINT OUR OWN STOCK WILL ALSO ALLOW US TO SUPPORT OTHER TRUSTS IN NEED OF THESE ITEMS.

”

David Lawson
Chief Procurement Office
Guy's and St Thomas'