

Finance & Accounting and Procurement services - Strategic Partnership

Papworth Hospital NHS Foundation Trust



“Key to implementing new systems successfully is an extremely well-managed migration. NHS SBS made sure this was a smooth process – particularly important for us at a time of large scale organisational change.”

The challenge

Moving from an almost entirely paper-based back office, to an innovative systems-led way of working, was no small challenge for the UK’s largest specialist heart and lung hospital. But for Roy Clarke, Director of Finance at Papworth Hospital NHS Foundation Trust, the reward was business services that – in line with the clinical care the hospital provides – are well on their way to being world-class.

With a [pressing need to modernise its finance, accounting and procurement processes](#) in light of national efficiency imperatives, as well as to prepare for its relocation to a new purpose-built hospital, Papworth turned to NHS Shared Business Services (NHS SBS) as a national outsource provider to the NHS.

Roy explained: “To achieve the back office efficiency savings set out by Lord Carter and ensure robust systems at a time of significant change for the Trust – as we move to a brand new hospital – modernising our business functions through NHS SBS, particularly with its experience of working with so many other parts of the NHS, was seen as a key element to underpin our wider Trust strategy.

“Our business services play an important role in supporting our clinicians to deliver world-class patient care, by providing them with the best possible platform that ensures they have the right tools and information at the right time. With NHS SBS we’ve seen a leap in the maturity of our systems in a very short space of time.”

The solution

An expert team from NHS SBS began by working with the Trust’s finance and procurement teams, assessing over 100 different systems and processes to identify opportunities for greater efficiencies, whilst making recommendations that were consistent with the Future Focused Finance (FFF) maturity model, designed to benchmark an NHS organisation’s financial processes against industry standards.

This wide-ranging ‘Insight Evaluation’ was carried out ahead of any contract being signed. The overview report helped to provide a clear picture of where improvements were needed and how they could be achieved.

Roy said: “The Trust’s own internal diagnosis had told us our finance and procurement processes were not sufficiently fit for the future. The analysis undertaken by NHS SBS supported this conclusion, giving us a recognised benchmark to test success and measure ourselves against industry standards. We could see from this where we currently ranked and where we could get to – providing the evidence for change.”

After considering both the short and long-term potential for cost and efficiency savings, as well as the benefits from the continual investment NHS SBS makes to improve its services, [Papworth recognised the value in outsourcing its finance and accounting, procurement and materials management functions.](#)

Key benefits

- PO approval structure that ensures all purchases are authorised in accordance with the Trust's SFI's
- A new streamlined electronic requisitioning process has a turnaround time of under 24 hours
- New inbuilt controls, including purchase order matching, allow for greater transparency around budget spend
- Accounts payable process is faster and no longer heavily reliant on individual employees
- Duplication of work between different teams and staff members has been eliminated

The result

By partnering with NHS SBS, the Trust has been able to move away from time-consuming and potentially error-prone manual input systems, to a much improved use of technology, which speeds up processes, provides far greater transparency and encourages a 'right first time' culture across the organisation.

A newly-introduced electronic requisitioning system, for example, which gives Papworth access to supplier catalogues and a wide-ranging contract portfolio, means greater control of expenditure through pre-agreed prices with suppliers, as well as a purchase order (PO) approval structure that ensures all purchases are authorised in accordance with the Trust's standard financial instructions (SFI's).

This new way of working means the Trust benefits from the best available price for goods and services, which are routinely purchased by over 350 authorised staff from all around the hospital – users from operating theatres, to the catering department, and everywhere in between.

As well as cost savings, the speed at which an order is placed has significantly improved via the use of technology. The previous manual process, which meant printing paper forms, that then waited for managerial signatures, before being sent to the procurement team to process the order, could take days or sometimes

weeks. Instead, the new streamlined electronic process has a turnaround time of under 24 hours. The new inbuilt controls, including purchase order matching, meanwhile, allow for greater transparency around budget spend and means it is less time consuming for the finance team to report on expenditure.

Similarly, a new electronic invoice system, introduced by NHS SBS at Papworth, allows for online budget code entry, verification and approval, whilst ensuring the status and owner of every invoice is instantly viewable. The result means the accounts payable process is no longer heavily reliant on individual employees having extensive knowledge of departments and individuals across the hospital.

It also means the process is far quicker, with no need for invoices to be printed, signed and returned via the Trust's internal post, whilst duplication of work between different teams and staff members has been eliminated. With the new technology in place, the finance team is now able to run reports that provide a much clearer real-time picture of the Trust's financial position.

To ensure a seamless migration to the new modern systems, a dedicated team of subject matter experts from NHS SBS spent six months at Papworth, carrying out extensive staff training and workshops to support the various teams and individual staff members through the change in processes.

Roy explained: **"Key to implementing new systems successfully is an extremely well-managed migration. NHS SBS made sure this was a smooth process – particularly important for us at a time of large scale organisational change."**

"Their [NHS SBS] professionalism in mobilisation was recognised across the organisation and Trust users have noted that we have fundamentally stronger systems in place thanks to partnering with NHS SBS."

To hear how your NHS organisation could also benefit from partnering with NHS Shared Business Services, contact us at sbs-w.corporatemarketing@nhs.net.