

# Case Study

## NHS London Strategic Health Authority

Flexible approach to change

### Key facts

- Manages the performance of 31 PCTs, 24 Acutes, 4 Mental Health Trusts and the London Ambulance Trust
- Covers 32 London Boroughs and a population of 7.2 million
- Employs 290 FTEs
- Overall management of the London Health Economy at a value of £13.5 billion

### Case Study summary

Better able to manage change

A shared service that retains flexibility and responsiveness

Improved control

Shared practice in action

Future-proofed technology



“Joining NHS Shared Business Services is about more than the cost savings on offer. It is about achieving greater efficiency and effectiveness as an organisation for the benefit of our budget holders, the NHS and the public at large.

“I would recommend that other organisations in London and the wider NHS investigate how they too can capture the benefits of such a shared service approach with NHS SBS.”

Paul Baumann, Director of Finance and Performance,  
NHS London Strategic Health Authority

## Background

NHS London Strategic Health Authority came into being on 1 July 2006. At that time it became a single legal entity, consisting of the five former SHAs within the same geographical boundary (North West London SHA, North Central London SHA, North East London SHA, South East London SHA and South West London SHA).

Merging the five ledgers onto a sixth new ledger represented a huge challenge and the new entity recognised the need to bring in an organisation with the relevant expertise in managing a change process of that magnitude.

NHS London SHA decided to move to NHS Shared Business Services (NHS SBS) based on the company's ability to manage change, the suitability of the system and a positive existing client relationship with South West London SHA. In late September 2006 NHS SBS was engaged to transition the 5 sectors onto a single set of books on 1 December 2006.

## Working in partnership

Amanda Cant was appointed as Financial Controller of the new organisation and recognised that the switch to NHS SBS at a time of an all encompassing internal reorganisation represented a steep learning curve for all involved. However, she has some very concrete recommendations for those moving to, or considering a move to a shared service arrangement with NHS SBS.

"The main thing," says Amanda, "is to be absolutely clear on who is doing what in the partnership; ultimately, these are your accounts, your invoices and your suppliers, so you need to establish precisely what falls under your NHS organisation's responsibility and what the partner is committed to deliver.

"Secondly, to get the most out of your interactions with your partner, you need to get quickly to the point where the two teams know each other and are aware of who to contact in case of a query so that any issues can be rapidly resolved. It's not just a question of solving problems either; I get a great deal of guidance and advice from my discussions with key members of the NHS SBS team. It is definitely good to talk in a shared service arrangement."

## Quality & Added Value

The first benefit highlighted by Amanda is that the NHS organisations who work with NHS SBS are better able to face and adapt to changes in Department of Health and accounting standard requirements.

She explains: "NHS SBS works closely with the Department of Health and is very proactive in finding out the implications of any forthcoming changes on behalf of their clients. Rather than each individual finance director in each NHS organisation trying to understand and implement the changes, NHS SBS acts as an informed catalyst for the client and ensures that we get the best outcome for all."

## Flexibility

As a large organisation serving over 100 clients, is NHS SBS still able to show flexibility and responsiveness for its individual clients? Amanda is quite clear about her requirements, saying: "If I feel that one of them isn't covered by NHS SBS or I need a special report, I discuss it with them and we rapidly come to an agreement. An example of this was when I required an additional Rapid Fund Transfer run, which was implemented quickly just for my organisation. Yes, NHS SBS is able to work with me to meet my specific requirements."

Amanda is also a firm believer in the regular joint clients/NHS SBS User Forums and Working Parties. She has no hesitation in acknowledging the benefits of these interactions with colleagues in other NHS SBS client organisations.

"I attend regularly and find the exchange of ideas beneficial. It's good to hear if somebody has come up with something that is really working well, or if they have found a way round a particular issue. NHS SBS is also good at reviewing issues with clients in the special Working Parties that agree the way forward on topics such as Reporting and Year End arrangements. Major upgrade releases to the core Oracle financial platform system are implemented as standard at no additional charge to NHS SBS' clients. They have also set aside an annual fund where clients vote on smaller "client only" tactical IT developments, which are then implemented by NHS SBS."

To find out how NHS Shared Business Services can help your organisation, please contact Monica Owen, Marketing Director, on +44 (0)7970 052065 ([monica.owen@sbs.nhs.uk](mailto:monica.owen@sbs.nhs.uk))

## Efficiency gains

NHS SBS has also set up a programme designed to share best practice and to help clients realise maximum benefits both in terms of cost savings and efficiency gains. It's called Assure2 and NHS London SHA recently took part in it.

"Assure2 is a valuable opportunity to sit down with NHS SBS subject matter experts and learn different ways of doing things, discuss some of the things we still find challenging and learn about new features," explains Amanda.

"NHS SBS also has very good tutorials and webinars on its website. As with everything, we get some of our people to take part and then feed back to the rest of the team. Anything learned gets shared at the first opportunity".

NHS London SHA uses the Oracle e-business suite which has been configured and developed by NHS SBS to meet the specific needs of NHS organisations.

"Coming from a non-NHS SBS environment where we didn't have scanning of invoices and where the fastest we could produce management reports was 20 days, I think that the Oracle system used by NHS SBS is a big

leap forward. I see this as just the start, a path to other improvements such as e-procurement. We have just gone live with the NHS SBS e-procure system and I believe that this will allow us greater control of our business and provide significant cost savings. It's all about achieving best value for money for the organisation and ensuring that we have the right processes in place," says Amanda.

## The future

NHS London SHA recently tendered for the outsourcing of its payroll service. NHS SBS won on the basis of its use of technology and a flexibility and ability to meet the SHA's changing requirements. Go live is planned for July 2008. From then on, NHS SBS will manage the payroll for the SHA's 290 full-time employees.

Director of Finance and Performance Paul Baumann says: "We are currently finalising our pan-London finance strategy with the Finance Directors. As part of this we are exploring how NHS SBS can support the delivery of this key initiative for the benefit of the NHS in London. We consider NHS SBS a key partner in our developing finance strategy for NHS London."

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**Award Winning** - Winner of two National Outsourcing Association (NOA) Awards 2009

**World Class** - Hackett global benchmarking

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