



CASE STUDY

CONSOLIDATING PUBLIC SECTOR LOGISTICS OPERATIONS

ABOUT THE PROJECT

This workshop, in association with Meachers Global Logistics Ltd, the University of Southampton, Southampton City Council and University Hospital Southampton NHS Foundation Trust was held at the Department of Transport. It presented the potential costs and benefits of using a consolidation centre (UCC) to better manage hospital logistics in Southampton. This work was based on a detailed analysis of current business-as-usual operations at University Hospital Southampton NHS Foundation Trust and Meachers Global Logistics who operate a consolidation centre in the city and followed on from the University of Southampton's EU H2020 Citylab project.



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The work the TSC has undertaken during this project has been invaluable to us to both understand our existing position and for the future development of our fully operational consolidation centre. The TSC has given us a focus and mechanism to accurately price up the true benefits of using a consolidation centre, which prior to its existence, had certainly stunted the growth of the operation. We are now extremely confident that using the tools they have developed we will be more successful in the marketing of the facility given we can now tangibly measure the real benefits to the end user and quantify the savings, both environmentally and economically.

Gary Whittle,
Meachers Global Logistics Ltd

PROJECT HIGHLIGHTS

Drawing on the hospital's supply chain as a case study, participants gained an overview of the current logistics operations and how, working with Meachers Global Logistics the costs and benefits of switching to a consolidated supply chain solution could bring not only financial benefits to the Trust but reduced vehicle impacts to benefit the city, environmentally and economically.

OUTPUTS

The workshop discussed the implications for health service supply chains, other public sector organisations and for cities looking to implement Low Emissions or Clean Air Zones.

The TSC received extremely positive feedback from participants on the project methodology and results of their economic model which offered operational cost savings of £1.67m per annum with wider benefits valued at over £2.7m per annum derived from improved journey times, environmental benefits, accident reduction and reduction in sick days.

Most participants suggested this work would encourage the uptake of UCCs.

As a direct result of this workshop, the TSC was approached by freight operators and local authorities to apply the model to their situations. TSC was invited to present the finding to the hospital's Board and at the Health Care Supply Association Annual Conference which is attended by NHS Supply Chain and Procurement professional from around the UK.

This work enables the TSC to participate in income generating logistics and supply chain opportunities.

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