

Case Study

NORTHERN CARE ALLIANCE NHS GROUP

Spend Analysis and Recovery Services



Northern Care Alliance NHS Group recovers more than £500k with a purchase ledger review.

The Northern Care Alliance (NCA) is an NHS Group formed by bringing together two NHS Trusts, Salford Royal NHS Foundation Trust, and The Pennine Acute Hospitals NHS Trust. With a dedicated team of around 20,000 staff, they deliver healthcare excellence to over one million people across Salford, Oldham, Rochdale and Bury, as well as providing more specialist services to patients from Greater Manchester and beyond.

Created in 2017 and now one of the largest NHS providers in the country, the NCA supports its Care Organisations to be sustainable, both clinically and financially by developing service strategy, agreeing new/replacement building and equipment, annual operational delivery plans, and developing a standardised operating model which determines best care based on evidence of best practice.

The Challenge

Having conducted a purchase ledger review a few years ago, Salford Royal wanted to do a further review. They were keen to engage with a specialist supplier who had a good reputation and which was likely to recover the maximum amount.

A purchase ledger review examines the transaction data and supplier statements for any overpayments to suppliers. They not only wanted to recover as much as possible, but also wanted to ensure that their processing procedures were working effectively. This is particularly relevant for Salford Royal as their processing was outsourced to a third party. Pennine Acute was added to the scope of the project after the merger. With Pennine Acute moving from in-house to out-sourced processing, the review was especially timely.

At a glance

ISSUES

- Change from existing process, to a BPO.
- Merging two trusts into one created challenges for the finance department.
- Northern Care Alliance wanted reassurance that the BPO was processing invoices accurately.
- Wanted to validate that supplier credits were not being missed, by being identified and processed correctly.

IMPACT

- Over £500,000 recovered from the purchase ledger review.
- 80% of the total value recovered was achieved within 4 months.
- Clear methodology, timelines, and expectations made the project a success.



Overall, we were very pleased with the results of the project.

Ellie Tivanan

Senior Procurement Manager,
Non-Clinical
Northern Care Alliance NHS Group

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Solution

Salford Royal had previously commissioned Glantus to undertake a purchase ledger review. This review successfully recovered £170,000. In view of this, and following market testing, Glantus was selected again, based on the success of the previous project and their reputation.

Glantus delivered a detailed proposal in which they clearly set out the methodology, timelines, and expectations. The procurement was straight forward, being a simple call-off under an AGMA contract signed within a CCS (Crown Commercial Service) framework.

Benefits

EXCEEDING EXPECTATIONS

The project yielded total recoveries of over £500k, which exceeded the expectations of the client and the estimates initially provided by Glantus.

SPEED OF ROI

80% of the total value recovered was achieved within the first four months of the project.

FURTHER IMPROVEMENT OPPORTUNITIES

The project revealed several process issues within the outsourced processing that required improvement, in particular:

- The examination of supplier statements.
- Proper and timely processing of credits onto the ledger.



We recommend other Trusts, who have not so far undertaken a similar project, to do so.

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