

Preliminary Invitation to Negotiate

**The Provision of Serviced Accommodation
for
An Acute Hospital, Mental Health Unit, and an
Integrated Care Centre**

Volume 4 Part 8 - Service Level Specification

**for
Materials Management Services**

February 2004

1. Definitions

1.1 Any reference to the "Service Level Specification" in part C of Schedule 14 shall be a reference to this Materials Management Services Level Specification (including the Appendices hereto).

1.2 In this Service Level Specification the following words and phrases shall have the following meaning:

“Business Day”	has the meaning given in schedule 1;
“Consumables”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Disposables”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Facilities”	has the meaning given in schedule 1;
“Furniture”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“General Services Specification”	has the meaning given in schedule 1;
“Good Industry Practice”	has the meaning given in schedule 1;
“Law”	has the meaning given in schedule 1;
“Materials Management Services”	means the Service to be provided by Project Co to the Trust pursuant to this Service Specific Specification;
“Materials”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Non-stock Items”	means items which are ordered as required;
“Patients”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Planned”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Project Co Equipment”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Project Co Staff”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Project Co”	has the meaning given in schedule 1;
“Routine”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;

“Scheduled”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Service Level Specification”	has the meaning given in schedule 1;
“Service Providers”	has the meaning given in schedule 1;
“Service Rectification Time”	has the meaning given in schedule 18;
“Service Requirements”	has the meaning given in schedule 1;
“Service Response Times”	has the meaning given in schedule 18;
“Service Standards”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Service”	has the meaning given in schedule 1;
“Services”	has the meaning given in schedule 1;
“Site”	has the meaning given in schedule 1;
“Stock Items”	means those commodities which are regularly ordered, that are required for the completion of operational tasks and are included on the Stock Items inventory;
“Trust Policies”	has the meaning given in schedule 1;
“Trust Representative”	has the meaning given in Schedule 1;
“Trust Staff”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Trust”	has the meaning given in schedule 1;
“Unplanned”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;
“Urgent”	has the meaning given in SCHEDULE 14, Part 1: Service Level Specification, Sub-Part B: General Service Specification;

2. Key Objectives

- 2.1 Project Co shall provide high quality and comprehensive Materials Management Services that ensures just sufficient materials of the correct quality and type are available to maintain the continuity of the Trust's services.
- 2.2 Project Co shall ensure the Materials Management Services have the following key objectives:
- a) provide cost efficient, reliable, quality driven Materials Management Services that comply with Law, achieve the Service Standards and provides comprehensive Materials Management Services tailored to the operational needs of the Trusts;
 - b) provide discrete and flexible Materials Management Services that respond to changes in the needs of the Trusts' and the hospital environment;
 - c) provide patient-focused Materials Management Services that are empathetic and fulfil the needs and expectations of Patients, visitors and staff, and respects their dignity and privacy;
 - d) ensure the required Service Standards are achieved through the use of Good Industry Practice, the right mix of Project Co Staff, equipment, staff training, effective management systems, clear performance targets and appropriate levels of monitoring;
 - e) ensure that the Materials Management Services do not cause or create any hazard to the environment, the Facilities and/or persons on the Sites or in the Facilities;
 - f) to work within a quality assurance process that incorporates a continuous process of change, development and innovation to improve the delivery and quality of the Materials Management Services; and
 - g) maintain a safe environment and safe working practices including the use of a recognised risk assessment/management system to ensure the Service Standards for the Materials Management Services are achieved, and any reduction in the Service Standards achieved by Project Co is recognised and corrected.

3. Process

3.1 Scope

- 3.1.1 Project Co shall comply with all requirements set out in Sub-Part B of the General Service Specification and Part 1 of Sub Part C of Schedule 14 relevant to the delivery of Materials Management Services.
- 3.1.2 In addition to the applicable provisions set in the General Service Specification, Project Co shall comply with the Service Standards and Service Requirements of this Service Level Specification.
- 3.1.3 Project Co shall make the Materials Management Services available 24 hours per day and 365(6) days per year using appropriately skilled and trained staff.
- 3.1.4 Project Co shall respond to requests for Materials Management Services within the Service Response Times and Service Planned Times shown in Appendix A of this Service Level Specification.
- 3.1.5 Project Co shall provide all tools, equipment, signs, materials, uniforms, Consumables, Disposables, test equipment, safety apparatus and manual and powered lifting and handling equipment required to provide the Materials Management Services and meet the requirements of this Service Level Specification.
- 3.1.6 Project Co shall ensure the Materials Management Services comply with Law, Trust Policies and Good Industry Practice.
- 3.1.7 Project Co shall provide the following services and undertake the following activities on a scheduled basis, and provide a service which is capable of reacting to any Planned and Unplanned situations as they arise:
- a) materials receipt and dispatch;
 - b) on-site Stock items;
 - c) storage;
 - d) requisition service;
 - e) top-up service;
 - f) distribution and delivery; and
 - g) management of the service.

3.2 *Minimum Service Requirements*

Response and planned times

- 3.2.1 Project Co shall ensure Urgent requests for the Materials Management Services are carried out within the Service Response Time in accordance with Table 1 - Materials Management Services Response Times in Appendix A of this Service Level Specification. **SP01**
- 3.2.2 Project Co shall ensure Routine requests for the Materials Management Services are carried out within the Service Response Time in accordance with Table 1 - Materials Management Services Response Times in Appendix A of this Service Level Specification. **SP02**
- 3.2.3 Project Co shall ensure Planned requests for the Materials Management Services are carried out within the Service Response Time in accordance with Table 2 - Materials Management Services Planned Times in Appendix A of this Service Level Specification. **SP03**
- 3.2.4 Project Co shall ensure Scheduled requests for the Materials Management Services are carried out within the Service Response Time in accordance with Table 2 - Materials Management Services Planned Times in Appendix A of this Service Level Specification. **SP04**

Materials receipt and dispatch

- 3.2.5 Project Co shall be undertake and control the inward and outward movement of Materials through the designated materials receipt and despatch area(s). Such tasks include but are not limited to: **SP05**
- a) marshalling vehicle traffic to prevent site congestion caused by deliveries;
 - b) unloading, from the tailgate of the delivering vehicle, signing consignment notes and transferring goods to the store using handling aids if appropriate;
 - c) unpacking Materials and equipment and ensuring that Materials received are checked for damage and/or shortages;
 - d) completing Goods Receipt Notification for part of full receipt of orders against Trust official order numbers as set out in the Trust Policy for procurement and reporting any discrepancies to the Trusts within 2 hours of receipt during the Business Day;
 - e) logging receipts and maintaining written records of materials which present a risk and informing the Trust Representative. Materials which are damaged to be reported to the Trust Representative within 2 hours of receipt during the Business Day;
 - f) forwarding proof of delivery to the Trusts finance directorate referenced with the appropriate internal official order number;
 - g) co-ordinate the return goods;
 - h) packaging Materials for return/collection; and
 - i) notifying the Trust's department of all orders that are overdue for delivery,

and where specific dates have been specified.

Project Co shall retain responsibility for all materials from the point of receipt until they pass to the custody of the Trusts or other persons or organizations to which they have been delivered.

On-site stock items

- 3.2.6 Project Co shall maintain a stock of designated Stock Items of sufficient quantities to meet the operational needs of the Trusts. In providing the Service, Project Co shall undertake tasks that include but are not limited to: **SP06**
- a) the requisitioning and replenishing of stock items when stock levels of any Stock Item falls below the agreed minimum stock levels while limiting the total stock holding for the Stock Item to the agreed maximum; and
 - b) maintain a stock inventory and stock control records.

Storage

- 3.2.7 Project Co shall provide and maintain safe and secure custody of all materials covered by the Materials Management Services, in line with Trust security procedures for all Materials 24 hours day 365(6) days per year. Project Co shall: **SP07**
- a) store materials in accordance with manufacturers recommendations;
 - b) undertake stock rotation so that the oldest stock is used first;
 - c) undertake stock monitoring to remove all stock that is passed its use-by or expiration date;
 - c) obtain the approval of the Trust Representative before any stock that is passed its use-by or expiration date is destroyed or disposed; and
 - d) regularly review stock items to avoid obsolescence.

Requisition service

- 3.2.8 Project Co shall provide a requisition service whereby the Trusts can order Stock Items for delivery to locations throughout the Facilities by Project Co. The service shall provide as a minimum: **SP08**
- a) an up to date catalogue of Stock Items against which users may routinely requisition Stock Items in quantities suited to their requirements;
 - b) a system for the urgent requisition of Stock Items to the Trusts; and
 - c) a system for the return of Stock Items to Project Co.

Top-up service

- 3.2.9 Project Co shall provide a top up service to maintain the stockholdings of a range of Stock Items at locations throughout the Facilities as agreed with the Trust Representative. The Service is to be provided on an Unplanned and **SP09**

Scheduled basis in accordance with the Service Times in Appendix A. The top up service shall include but not be limited to:

- a) checking stock levels for the Stock Items at each location to which the Service is provided;
- b) requisitioning from the call-off contract sufficient Stock items to meet the needs of the Trusts;
- c) replenishing the stock at each location to the agreed stockholding; and
- d) providing a delivery note to the manager for the location for the Stock Items provided.

Distribution and delivery

- 3.2.10 Project Co shall in respect to all goods and materials received by the Trusts, and Stock Items provide an Unplanned and Scheduled distribution service in accordance with the Service Response Times detailed in Appendix A Service Times to ensure the prompt and safe distribution of materials to the relevant wards and departments. In undertaking this task Project Co Service shall: **SP10**
- a) ensure that consignments are suitably labelled with end user name, department and Trust internal order number and are accompanied by delivery/advice notes; and
 - b) ensure that written confirmation of internal deliveries are obtained when materials or equipment are delivered to the point of use/end user and that copies of that confirmation are passed to the Trust's Finance directorate.

Management of the service

- 3.2.11 Project Co shall ensure that a full audit trail of all activity involved in operating and managing the Service is implemented and adhered to at all times. The audit trail shall be agreed in advance with the Trust Representative and must be available for inspection by the Trusts; **SP11**
- 3.2.12 Project Co shall undertake an annual stock take of all Stock Items and Non-stock Items under Project Co's control and management at a time and in the format agreed by the Trust representative. **SP12**
- 3.2.13 Project Co shall provide monthly reports to the Trust Representative providing, but not limited to, the following information; **SP13**
- a) Details of Stock Items received into store;
 - b) Details of Stock Items issued to users by locations;
 - c) Details of Stock Items condemned;
 - d) Details of Materials returned and why; and
 - e) Response times for routine and urgent requisitions.

3.3 Exclusions

- 3.3.1 The following charges and costs are excluded from this Service Level Specification;
- a) The negotiating and letting of supply contracts for Stock Items;
 - b) The purchasing of Non-stock Items; and
 - c) The cost of Stock and Non-stock items.

Appendix A - Service Times

Table 1 - Materials Management Services Response Times

Category	Definition	Example	Service Response Time
Urgent	Any request for a Service that requires attendance quickly to avoid operational problems, or will create an Emergency if not remedied.	<ul style="list-style-type: none"> ▪ Urgent supply of Stock Items due to exhaustion of local stockholding 	30 minutes
Routine	Any request for a Service that is not seen as immediately detrimental and not causing significant operational problems if not attended to.	<ul style="list-style-type: none"> ▪ Requisition of Stock Items 	2 Business Days

Table 2 - Materials Management Services Planned Times

Category	Definition	Example	Service Response Time
Planned	Any request for a service that has been agreed (planned) to take place at a specific time that may cause operational difficulties or a fall in standards, if it does not happen.	<ul style="list-style-type: none"> ▪ Annual stock take 	Within the agreed time frame
Scheduled	Any service which has been agreed will take place at a specific time on a regular basis and will cause operational difficulties or a fall in standards if it does not happen	<ul style="list-style-type: none"> ▪ To-up service ▪ Delivery of Non-stock Items and other Materials and goods received by the Trusts 	Within the agreed time frame.

Performance Parameters

Ref	Performance Parameter	SF Type	Category	Service Response Time	Rectification Time	Performance Monitoring Period	Monitoring Method
<i>Response and planned times</i>							
SP01	Urgent request for Materials Management Services are carried out within Service Response Times.						
SP02	Routine request for Materials Management Services are carried out within Service Response Times.						
SP03	Planned Materials Management Services tasks are carried out within Service Planned Times.						
SP04	Scheduled Materials Management Services tasks are carried within the Service Planned Times.						
<i>Materials receipt and dispatch</i>							
SP05a	Traffic marshalling procedures are available for all deliveries.						
SP05b	All incoming goods are unloaded from delivery vehicles and stored as appropriate.						
SP05c	All incoming goods are checked for quantity, quality and damage.						
SP05d	All discrepancies are reported to the Supplies Department with 2 hours of delivery.						
SP05e	A record of all deliveries is maintained as agreed with the Trust at all times.						
SP05f	Delivery records to the Trust representative promptly.						
SP05g	Damaged goods and or short orders are reported to the Supplies Department within 2 hours of delivery.						
SP05h	Secure all materials within 1 hour of receipt.						
SP05i	Packaging materials are removed from goods, disposed of or returned for collection by manufacturers as required.						
SP05j	Stock inventories are up to date and accurate, and control stock rotation/movement.						

Ref	Performance Parameter	SF Type	Category	Service Response Time	Rectification Time	Performance Monitoring Period	Monitoring Method
SP05k	There have been no reported losses of Materials from the point of delivery at the Facility to the delivery at the ward or department.						
<i>On-site stock items</i>							
SP06a	Stocks of Stock items are within the Minimum/maximum stock levels.						
SP06b	The stock inventory and stock control records are complete and up to date.						
<i>Storage</i>							
SP07a	All Materials in appropriate areas and under suitable storage conditions in accordance with manufacturer's instructions.						
SP07b	Stock Items are rotated so the oldest is used first and out of date stock is removed in the approved manner.						
<i>Requisition service</i>							
SP08a	Service users have access to an up to date catalogue of Stock Items and can requisition Stock Items in quantities suited to their requirements.						
SP08b	A system is in place for service users to submit urgent requisitions for Stock Items and to return to project Co unwanted Stock Items.						
<i>Top up service</i>							
SP09a	All request for stock top-ups are carried out within Service Response Times.						
SP09b	Agreed levels/range of Stock Items held on wards & departments are maintained at all times.						

Ref	Performance Parameter	SF Type	Category	Service Response Time	Rectification Time	Performance Monitoring Period	Monitoring Method
SP09c	A record of Stock Items issued to each location is provided to the local manager.						
<i>Distribution</i>							
SP10a	All Materials in transit are safe and protected at all times.						
SP10b	All Materials distributed to the Trust are labelled and have delivery/advice notes.						
SP10c	All deliveries to the Trust have written confirmation of delivery with copies forwarded to the Trust Representative.						
<i>General management of the service</i>							
SP11	An audit trail of all transactions and deliveries is in place.						
SP12	Annual stock takes are undertaken in accordance with the arrangements agreed with the Trust Representative.						
SP13	The monthly report is provided within the agreed time frame.						