Trust Standard Operating Procedure

NHS University Hospitals Plymouth NHS Trust

Supply Chain Product Ordering (SC03)

Issue Date	Review Date	Version
September 2020	September 2025	2

Purpose

1. To identify the key activities in ordering goods.

Who should read this document?

All those that are involved in ordering and receiving goods, directly from suppliers, or via an internal Store or Warehouse.

Key Messages

SOPs aim to achieve efficiency, quality output and uniformity of performance, while reducing miscommunication and failure to comply to industry or Trust regulations.

Core accountabilities

Owner	Supply Chain Manager
Review	Finance Senior Management Team Meeting
Ratification	Chief Procurement Officer
Dissemination (Raising Awareness)	Supply Chain Manager
Compliance	Records and Information Officer

Links to other policies and procedures

Supply Chain Inventory Management Policy (SC010v.1)

Version History

1	September 2016	Ratified by Chief Procurement Officer and published Trust-wide
2	September 2020	Ratified by Head of Supply Chain on behalf of CPO and published Trust-wide

The Trust is committed to creating a fully inclusive and accessible service. Making equality and diversity an integral part of the business will enable us to enhance the services we deliver and better meet the needs of patients and staff. We will treat people with dignity and respect, promote equality and diversity and eliminate all forms of discrimination, regardless of (but not limited to) age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage/civil partnership and pregnancy/maternity.

An electronic version of this document is available on Trust Documents. Larger text, Braille and Audio versions can be made available upon request.

Standard Operating Procedures are designed to promote consistency in delivery, to the required quality standards, across the Trust. They should be regarded as a key element of the training provision for staff to help them to deliver their roles and responsibilities.

Standard Operating Procedure (SOP)

Supply Chain Product Ordering

1	Introduction

The purpose of this SOP is to identify the key activities in ordering goods into and around the Trust.

This procedure is applicable to all those involved in the ordering, using and managing of product inventory within the Trust.

It should be applied across the Trust, with particular relevance to Procurement and Supply Chain functions.

A standalone SOP exists for Pharmacy Ordering.

2	Definitions

- SOP – Standard Operating Procedure
- SCM – Supply Chain Manager
- CPO – Chief Procurement Officer
- DoF – Director of Finance
- SCWM – Supply Chain Warehouse Manager
- PO – Purchase Order
- IMS – Inventory Management System
- SCSP – Supply Chain Store Person
- RCA – Root Cause Analysis

3	Regulatory Background

N/A

4	Key Duties

Main Roles and typical duties are summarised below;

- **Purchasing**
  - o **Category Manager or Buyer** – used as support for supplier escalations
- **Supply Chain**
  - o **Central Procurement Helpdesk** – responsible for monitoring overdue orders and expediting delivery
  - o **Supply Chain Stores Person (SCSP)/Supply Chain Warehouse Manager (SCWM)** – responsible for consolidating demand, placing orders and meeting Customer Requirements of stock holding
  - o **Materials Management** – responsible for collecting customer requirements for certain areas
- **Customer**

- o **Customer –** responsible for generating demands and communicating them to SCSP/SCWM. Also responsible for dictating stock holding requirements and IMS Min/Max stock level

5	Procedure to Follow

1.   People and Systems
- Orders should only be placed by competent and responsible members of staff, using the appropriate Inventory Management System.
- Orders should only be placed via a Warehouse or Store Location, even if the item requested is not a stock item.

2.   Demand Generation
- Requesting Locations and End Users should notify these Store Locations of the Demand via a Requisition, preferably systemised on the preferred IMS
- Where systemised requisitioning is not in place, local operating procedures can be deployed if agreed between the Customer and the accountable SCSP or SCM
- If demands are not captured ahead of time, a Reverse Requisition is required, where a demand is triggered after the stock has been removed (allowing the necessary system balance)
  - o Each SCSP needs to implement a system for capturing these demands, agreed with the Customer
  - o Each SCSP is responsible for ensuring the necessary system update to allocate costs accurately to the correct Requesting Location

3.   Order Placement
- **Store to Non Store (End User) Orders**
  - o Stock items will be satisfied immediately, with automatic replenishment orders triggering within the Inventory Management System (IMS), once Stock is removed through issue. Once triggered, these orders will need to be released in the appropriate IMS by a competent person (SCWM or SCSP)
  - o Non stock items will require an ad hoc order generating in the preferred IMS by a competent person
    - ▪ Non Stock Items can be treated as stock items, for the purpose of process standardisation, through triggering an automatic replenishment by setting the minimum stock level as zero.
    - ▪ This means no stock is held of the item, but once a Demand occurs, the system automatically triggers an auto replenishment.
  - o Once orders are placed, it becomes the responsibility of the Purchasing Helpdesk to monitor on time order fulfilment and expedite overdue orders

4.   Store to Store Stock Movements
  - o For product that are delivered via one, or multiple internal Store locations, the same process as above is followed, except instead of issuing orders to suppliers, the Store Location issues an internal

demand to another Store Location. This in turn, will issue an order to a Supplier once the necessary replenishment level is triggered.

6   Document Ratification Process

The design and process of review and revision of this policy will comply with The Development and Management of Formal Documents.

The review period for this document is set as default of five years from the date it was last ratified, or earlier if developments within or external to the Trust indicate the need for a significant revision to the procedures described.

This document will be reviewed by the Finance Senior Management Team Meeting and ratified by the Director of Finance.

Non-significant amendments to this document may be made, under delegated authority from the Director of Finance, by the nominated owner. These must be ratified by the Director of Finance.

Significant reviews and revisions to this document will include a consultation with named groups, or grades across the Trust. For non-significant amendments, informal consultation will be restricted to named groups, or grades who are directly affected by the proposed changes.

7   Dissemination and Implementation

Following approval and ratification, this procedural document will be published in the Trust's formal documents library and all staff will be notified through the Trust's normal notification process, currently the 'Vital Signs' electronic newsletter.

Document control arrangements will be in accordance with The Development and Management of Formal Documents.

The document author(s) will be responsible for agreeing the training requirements associated with the newly ratified document with the Director of Finance and for working with the Trust's training function, if required, to arrange for the required training to be delivered.

8   Monitoring and Assurance

- Accountability for adherence to this procedure will be monitored by the Chief Procurement Officer (CPO), or their nominated representative

- The Supply Chain Manager (SCM) will be responsible for ensuring this procedure is followed operationally

- Adherence to the identified procedure will be monitored by the SCSP through capturing those goods which do not follow this procedure and escalating to the SCM and Customer Representative. This can be done through weekly stock checks to identify products which systemised and physical stock do not match.

- Root cause analysis (RCA) will be performed for any identified stock discrepancy

- For every RCA conducted, findings need to be reported to the CPO, through the specified monthly review

- Each SCSP will be monitored on process adherence at their regular one to one progress reviews

9	Reference Material	

N/A

Appendix	Appendix XX