

THE HIDDEN LIFE SAVER? – UNATTENDED LOCKER BOX LOGISTICS FOR FASTER AND MORE EFFICIENT HOSPITAL SUPPLY

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1 **ABSTRACT**

2 The efficient flow of goods into hospitals is disrupted by the presence of time critical (urgent) items in the chain
3 encouraging sub-optimal vehicle fleet operations. Furthermore, the fast delivery of such items can often become
4 stalled by the transition between the external and internal supply chains, leading to duplicate ordering. These issues
5 result in increased volumes of hospital-related traffic and a delay in the delivery of care to patients.

6 An unattended electronic locker bank, comprising individual lockable boxes to which different urgent items
7 can be delivered is proposed as a potential solution with the aims of: separating urgent and non-urgent goods in the
8 chain, thereby enabling consolidation of non-urgent consignments; and, bypassing the traditional route of supply.

9 The feasibility of this concept was tested in the context of Great Ormond Street Hospital for Children in
10 London using a database of consignment movements to assess physical requirements of the locker bank, using a hill
11 climbing optimization technique; and, qualitatively using interviews with key members of staff.

12 Results of the quantitative analysis indicated that a locker bank measuring 3.33m (10.93ft.) in length, 1.7m
13 (5.58ft.) height and 0.8m (2.62ft.) depth, comprising of 11 partitions would be required to accommodate 100% of all
14 urgent consignments passing into the hospital during a typical week. Staff perceptions of the locker bank concept
15 were largely positive suggesting the locker box could improve the speed and quality of healthcare delivered to
16 patients.

17

18 **Key Words:** Supply Chain, Bullwhip effect, Optimization, Out-of-hours delivery

19

INTRODUCTION

The convergence of increasingly larger numbers of people and resources within cities is generating significant pressures on urban freight networks which are widely considered to be a vital part of urban economies (1). Previous research into traffic generators, within the UK, found that 5% of all traffic can be attributed to the healthcare industry (2). Much of which can be linked to inefficient operating practices (such as the provision of large inventories) developed in response to the unpredictable nature of hospital demand to prevent exhaustion of hospital goods (stock-outs) (3). In spite of these practices, stock-outs are still experienced due to unusual demand(4), disparities in inventory requirements between hospitals and suppliers, and faulty goods, which can result in increased numbers of ad-hoc deliveries to meet requirements. The presence of such time critical items within the chain can also contribute to sub-optimal vehicle load factors (fill-rates) due to the higher frequency of deliveries required to supply urgent stocked-out items.

In addition to this, the fast flow of goods into hospitals is often hampered by the interface between the external supply chain delivering goods to the hospital gates, and the internal supply chain ensuring the distribution of products to patient care units (PCUs) for patient treatment (5). This delay can result in duplicate orders of inventory and additional trips to neighboring hospitals to procure the required goods.

This paper presents an unattended locker bank as a potential solution to these issues to enable for the separation of urgent and non-urgent goods in the supply chain, thereby allowing for suppliers / distributors to consolidate consignments to increase vehicle fill-rates; thereby reducing traffic by increasing fleet efficiency. The locker bank is also intended as a means with which to remove nodes in the supply chain (dis-intermediation) and enable direct delivery of items to the consignee, bypassing the communal 'goods-in' facility. This concept is tested in the context of Great Ormond Street Hospital for Children (GOSH) National Health Service (NHS) Foundation Trust in London, using data on consignment deliveries to assess the feasibility of a locker bank according to the required physical dimensions of a unit capable of accepting urgent goods demand.

Great Ormond Street Hospital

GOSH is a tertiary care NHS Trust comprising of 27 NHS wards and 2 private healthcare wards, staffed by 3,336 clinical and non-clinical members who help to provide more than fifty different clinical specialties, treating more than 192,000 patients per annum (6). The majority of patients are referred from general practitioners and specialists.

A recent survey of the goods yard undertaken by the authors at GOSH (November 2011) quantified the delivery and servicing activities during day-time hours of operation (07:00 – 17:00). Conducted over a 5-day period, it found that 403 deliveries were made by 223 vehicles, on behalf of over 300 suppliers. This indicates a 9% growth in the number of deliveries from the 2010 survey conducted by Steer Davis Gleave, which revealed 366 deliveries to be completed by 219 vehicles on behalf of 145 suppliers, over a 5-day period. This increase is in accordance with the 9% growth in patient numbers in 2010 from 175,000 to current levels(7).

Analysis of vehicle fill-rates recorded during the survey revealed an average fill-rate of 40% for all vehicles, indicating sub-optimal freight traffic to the hospital. This can be linked to the presence of urgent items in the chain (requiring delivery within 48-hours) which accounted for approximately 1.9% of deliveries during the survey.

In addition to this, many of the deliveries received were processed through a single receipts area located within the yard. All goods were sorted into cages for delivery to their respective departments in rounds performed by materials management staff / porters. This delivery structure has been identified as a significant issue resulting in the delay or loss of urgent items, which can contribute to duplicate orders.

HOSPITAL SUPPLY CHAINS

Hospital logistics are typically complex, managing significant quantities of materials and data (8) throughout a fragmented management structure. They comprise numerous functional silos each of which represent separate medical services and professions, which require bespoke supply chains to provide for planned and un-planned emergency medical care (5). Such requirements set the healthcare industry apart from other businesses which are able to estimate or predict consumer demand and manage the supply chain accordingly (9). Much of the variability observed in healthcare is attributed to at least three different factors:

- 1) Clinical variability, related to the numerous different ailments, severity levels and responses to treatment;
- 2) Demand variability, due to the unpredictability of patient requirements (i.e. emergency medicine and referred treatment); and,

74 3) Variation in the approaches to care and levels of care delivered by independent clinicians and care
75 providers (10).

76 Given these uncertainties in demand, industrial and manufacturing supply concepts such as Just-In-Time
77 (JIT) are deemed unsuitable for hospital supply considering the high cost of stock-out situations such as patient
78 illness or death (11, 12). Consequently, healthcare supply chains maintain inventory buffers to mitigate against long
79 queues of patient demand and stock-outs (11). These are managed by employing either an 'Inventory-oriented
80 Approach', currently practiced by GOSH and most state-managed NHS Trusts, whereby pre-established re-order
81 levels are agreed by hospitals and medical departments (13); or, a 'Scheduling-oriented Approach', for which
82 purchasing operations, replenishments and supplier deliveries are accurately scheduled to ensure resource
83 availabilities are respected and stock-outs avoided (14). The scheduling-oriented approach has been successfully
84 implemented by small hospitals in Singapore, with low demand and the provision of 100 beds or less (15). Inventory
85 approaches typically require more manpower and greater amounts of inventory storage space and therefore higher
86 operational costs, however scheduling approaches require regular reviews of stock usage to ensure all schedules are
87 accurate and up-to-date (15).

88 The materials services within hospitals are responsible for generating large quantities of time-sensitive data
89 (16), much of which is indicative of hospital demand. Research into demand variance in healthcare supply chains
90 has found that hospital orders exhibit considerable variability due to inaccurate and incomprehensive information
91 (17), affecting supplier's abilities to respond, in some cases impacting on the hospital's ability to deliver quality
92 patient care and treatment(14, 18). Unclear inventory demand between wards can also create a 'bullwhip' effect,
93 resulting in a lack of coordination in ordering policies at points throughout the supply chain creating an increasing
94 demand variance propagating up the chain (19).Such issues contribute to inefficient vehicle load factors and a higher
95 frequency of deliveries in order to accommodate such variability in demand.

96

97 THE STRUCTURE OF HOSPITAL SUPPLY

98

99 A key feature of healthcare supply is the presence an external and internal chain. The issue with this structure is the
100 management of the external-internal chain interface, which is often complicated by multiple procedures and
101 information systems operating within the hospital, resulting in increasing costs and inefficiencies (20, 21).

102 Hospital supply is often based on one of three basic models:

- 103 1) "Conventional Model", delivery to medical departments via a central warehouse;
- 104 2) Semi-Direct, delivery via each medical departments' warehouse; and,
- 105 3) Direct delivery, daily replenishment of small medical departments' storage facilities(22).

106 GOSH employs a semi-direct delivery system with weekly replenishment for each medical department or
107 bi-weekly for theatre departments and intensive care units, with daily deliveries of ad-hoc orders. All goods are
108 received to the hospital via a goods-in yard where items are sorted and then forwarded to their respective ward /
109 department store. Due to the nature of this model and the average size of ward stores (86.5 m² (931 ft²)) no more
110 than two weeks provision for each item is stocked. However, low-use, high-cost items (e.g. OxyTip sensors, used to
111 monitor blood oxygen saturation levels) are ordered in bulk to achieve the necessary discounts from the supplier and,
112 are kept within dedicated stores.

113 The direct delivery model attempts to remove the need for an external and internal supply chain, present
114 within the first two models. This approach was implemented within the U.S. and Canada from the 1970s to the
115 1990s in the form of the 'Stockless Inventory Approach'(23). It operated on the principle of consolidating the
116 hospitals' suppliers to a minimum, and outsourcing the management of supplies to the remaining suppliers. This
117 enabled sufficiently high levels of visibility and transparency of inventory usage for suppliers to respond to demand.
118 This yielded a higher frequency of supplier deliveries, with greater vehicle fill-rates and a higher turnover of
119 inventory, resulting in fewer materials management and clinical staff required to monitor / manage stock (24).
120 However, a significant imbalance in the benefits between the hospital and the distributors rendered stockless
121 methods unattractive to suppliers (8). Furthermore, owing to the specialist nature of many of the products supplied
122 to hospitals such as GOSH, rationalization of suppliers becomes impracticable.

123 More recent studies including those of the stockless inventory approach have demonstrated that for
124 organizations with unpredictable demand, supply chains operate better without intermediate tiers (17). However,
125 dis-intermediation has also been found to inhibit a company's ability to respond to demand variability (25). By
126 applying this concept in the context of a hospital supply chain, an electronic locker box system could be a

127 potentially viable solution to separate urgent items from non-urgent consignments within the chain, allowing for
 128 consolidation of non-urgent orders into fewer vehicles. This would also dis-intermediate the chain at the point of the
 129 external-internal supply chain interface within hospitals improving the flow of supply and information between
 130 suppliers and PCUs.

131

132 **THE UNATTENDED LOCKER BOX CONCEPT**

133

134 Unattended locker banks are an alternative delivery solution developed in response to failed deliveries from online
 135 retailers, estimated to cost UK retailers, carriers and consumers between £790 million (over \$1.2 billion) and £1
 136 billion (approximately \$1.5 billion) per annum (26). The concept provides individuals / companies with a locker
 137 bank as an alternative delivery address (27). Each locker bank comprises numerous secure box partitions, equipped
 138 with wireless communications (3G) to send notifications of confirmed deliveries to recipients. They are typically
 139 owned, operated and maintained by the locker box provider and are often situated in central locations within a town
 140 or city (28-31). The process of parcel delivery varies according to the locker box supplier, for example:

- 141 1) ByBox users are required to instruct delivery of orders via the ByBox central warehouse, from which a
 142 dedicated network of ByBox night-time couriers deliver the parcel to the requested locker bank (28); whereas,
 143 2) Amazon and DHL Packstation customers register with the service which allows them to provide a locker
 144 bank as the direct delivery address (29, 30).

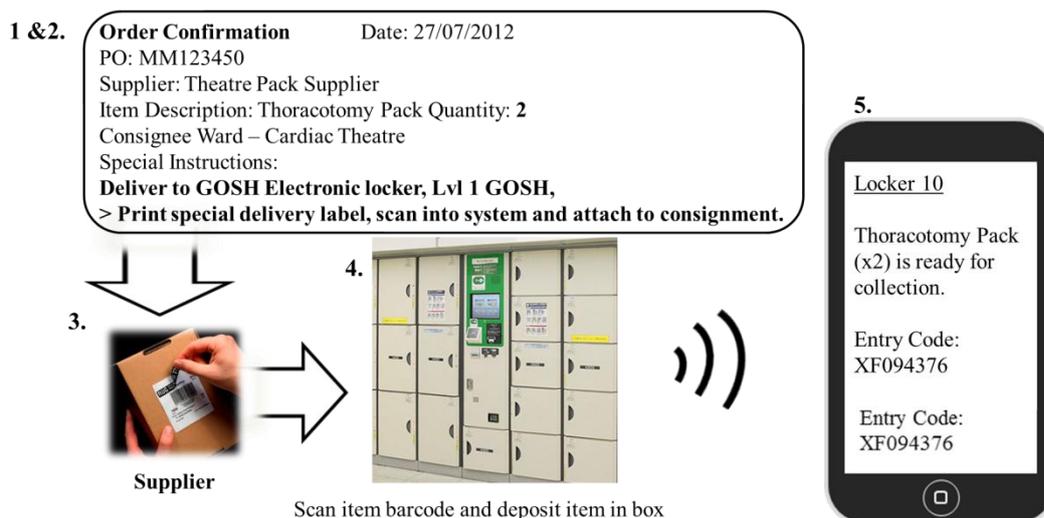
145 Studies by Edwards et al (27, 32) and Song et al (33) have demonstrated the significant savings in operating costs
 146 and carbon emissions achievable with these unattended collection-delivery point facilities in the context of home-
 147 deliveries. Results from these studies indicated annual savings of: between £2,778 (\$4,123) and £6,459 (\$9,585) in
 148 carrier's transportation costs and reductions in emissions between 3.8 and 8.7 tonnes (4.18 to 8.59 tons) of CO₂ as
 149 carbon (33). Such savings have created take-up of the concept within the field services sector, where field service
 150 engineers across numerous industries such as internet service providers and home appliances / utilities can order
 151 specialist parts to be delivered over night for the next-day (34).

152 The proposed locker box concept is based on the traditional system operated in the field services sector,
 153 (Figure 1), and is designed to provide a fast- and direct- route for urgent deliveries from entry to the hospital to the
 154 point of use. The aim is to provide a separate supply chain for urgent items enabling consolidation of individual
 155 consignments to increase vehicle load factors; and, enable a more human-centric supply chain by linking key
 156 personnel in hospitals who can act quickly when specific stock items announce their arrival via the locker box
 157 system. In this paper, it is assumed that the system would function according to the leading UK-based unattended
 158 delivery system, to facilitate night-time delivery of items thereby reducing day-time traffic, increasing the speed of
 159 delivery and offering more efficient fuel consumption:

- 160 1) A clinical practitioner places an order of items for an emergency patient to be transferred to the hospital for
 161 surgery the next-day, marking it as "urgent";
 162 2) The order is processed through procurement who request delivery of the item to the locker bank operators
 163 warehouse;
 164 3) The locker bank operator receives the item, labels it with a unique barcode and / or Radio Frequency
 165 Identification tags and ships to GOSH overnight, delivering the item to the locker bank;
 166 4) Once the item barcode is scanned and a unique code is entered, a locker box opens within the locker bank.
 167 The door is closed and the delivery is confirmed;
 168 5) Upon closing the door, the locker box sends a message to the recipients' phone informing them of the items
 169 arrival.

170 It is recognized that this method does increase the number of vehicle-kms attributed to deliveries, however it is
 171 necessary to achieve the full range of benefits. Adaptation of the concept may be made to enable direct night-time
 172 delivery, thereby avoiding additional vehicle kilometers.

173 The locker bank concept differs significantly from intelligent medicine cabinet storage systems which are designed
 174 to create and maintain leaner supply chain operations by automatically reordering stock to replenish items removed
 175 for use (35, 36). Unattended locker boxes serve only as a means for temporary stock holding (1-day maximum),
 176 informing a member of staff that a single specialist order / consignment is ready to collect.



177

178 **FIGURE 1 Locker Bank Process of Operation.**

179

180 **METHODOLOGY**

181

182 This study uses quantitative (modeling) and qualitative (staff interviews) methods to establish the feasibility and
 183 practicality of the locker box concept within the hospital environment at GOSH. The main aims of the assessment
 184 were to: test the feasibility of the concept; and, quantify the optimal dimensions of a locker bank according to the
 185 potential demand of urgent goods-in.

186 The model was informed by the November 2011 survey data which captured ad-hoc deliveries and
 187 identified the product description, supplier / manufacturer name and consignee department for recorded deliveries.
 188 These product listings were presented to the Head Nurse, Clinical Equipment, Products and Practices, who identified
 189 38 product lines considered to be urgent goods, signified by the unique functions they perform e.g. tubing packs,
 190 customized items and equipment packs predominantly for theatre departments. For example, Perfusionist Theatres
 191 use cardiopulmonary bypass machines for surgery, therefore stock-outs of items such as tubing packs would prevent
 192 bypass operations being performed.

193 The actual delivery package dimensions for 63% of the 1,098 separate urgent product orders contained
 194 within 425 separate consignments from 2011/12 financial year (April to March) were obtained from the suppliers.
 195 An assumed package size was generated for the remaining 37% according to the weighted average of all the
 196 acquired box sizes. These results revealed that orders were delivered within standardized packaging, returning only
 197 8 different actual box sizes and 1 generated box size.

198 The qualitative assessment was conducted using one-to-one interviews with 5 key members of staff: 'Head
 199 Nurse, Clinical Equipment, Products and Practices'; Head of Corporate Facilities; Supply Chain management; and, a
 200 Ward Sister to assess the contextual and operational value of the concept. During the interviews staff were presented
 201 with the concept and its basic functionality. They were then asked to provide feedback regarding perceived uses and
 202 applications.

203

204 **Locker Box Modeling**

205

206 *Locker Box Partitions and Demand*

207 The total order population was condensed into consignment types of the same volume, generating 36 different
 208 consignment types, each of which contains a single package size. The number of packages and their dimensions for
 209 each consignment size were fed into a linear model which identifies the minimum length required for each of the
 210 following four locker box partitions, with restrictions imposed on their height and depth:

- 211 A) 170cm (66.9in) x 80cm (39.3in);
 212 B) 80cm x 80cm;
 213 C) 40cm (15.7in) x 80cm; and,
 214 D) 20cm (7.9in) x 80cm.

215 The calculations (Equation 1) assume each package is stored upright, restricting its rotation by 90° on the x-axis. The
 216 package is rotated so that the longest horizontal length is positioned against the depth to minimize the required
 217 length of the locker. The algorithm determines how many packages in the consignment can fit within a single 2-D
 218 vertical footprint for each partition (as defined above). The overall length of the partition (L_{pi}) is determined by the
 219 length of the packages (l_{bi}) being deposited within each 2-D footprint multiplied by the total number of footprints
 220 required to accommodate all the boxes within the consignment (nV).

$$L_{pi} = nV \times l_{bi}$$

221
 222 This process returned a required length for the four locker partitions for each consignment. The consignments were
 223 assigned to a partition size based on the ‘best-fit’ according to the shortest required length and minimum residual
 224 space. If the required length for two or more partitions was the same for a consignment, it was assigned to the
 225 smallest of the partitions. Furthermore, if the required length of a locker partition exceeded 80cm the consignment
 226 was divided into two, for practical reasons pertaining to the opening of the locker doors within hospital corridors.
 227 These allocations were superimposed onto the annual population to generate a demand for the locker bank.

228 The required length of the four partitions was defined according to the maximum length required to
 229 accommodate the largest consignment assigned to the partition. This process generated the following lengths for
 230 each partition:

- 231 A) 74cm (29.1in)
- 232 B) 37cm (14.6in)
- 233 C) 30cm (11.8in)
- 234 D) 37cm (14.6in)

235 *Locker Box Unit Model*

236 The locker box model takes the listing of consignments received on each day, sub-divided into the pre-sized
 237 partitions A, B, C and D. The aim of the model is to establish the optimal combinations of partitions that allow a
 238 maximum number of orders to be stored within the smallest space possible.

239 A genetic hill climbing optimization methodology is selected over the full genetic algorithm to find optimal
 240 combinations of box partitions. The rationalization for this is due to the relative small size of the ‘search space’
 241 being optimized (37). The genome for a candidate is a sequence of locker box partition allocations of varying sizes,
 242 as defined above, such as “A-A-B-B-C-C-D-D”. Each gene allele is selected at random from the available partition
 243 sizes which is hard-coded to 4 different variations A, B, C and D. The initial candidate pool is tested for fitness and
 244 survival in order to determine the best candidate. Survival is determined by the ability of the selected genome to
 245 accommodate all items from each order. Each day is tested and if an order cannot be fitted within the partition
 246 combination then the coverage value (percentage of consignments accommodated within the locker bank) is reduced.
 247 If the coverage falls below the minimum coverage value then the genome is discarded. Surviving genomes are then
 248 tested for fitness.

249 The fitness function uses a First Fit Decreasing Height strip packing algorithm (38) where the returned
 250 fitness value is the length of the bounding box for all the locker partitions packed into the required number of strips.
 251 When a step is performed the fittest individual is selected and all candidates’ genomes are overwritten with its
 252 sequence. Each child is then mutated to create new individuals which are then tested for survival and fitness. The
 253 candidates are reordered and the packing diagram is updated.

254

255 **RESULTS**

256

257 The model was tested with varying degrees of minimum coverage, ranging from 100% of all deliveries to 80%
 258 (Table 1 and Figure 2), with a population of 11 automatically generated partitions, necessary to accommodate all
 259 consignments delivered on the ‘busiest day’. This was necessary to accommodate the full variance of consignment
 260 numbers throughout the year. Tests of minimum coverage of 80% and less generated the same results, suggesting
 261 that optimal configuration of 11 partitions will accommodate at least 80% of deliveries.

262

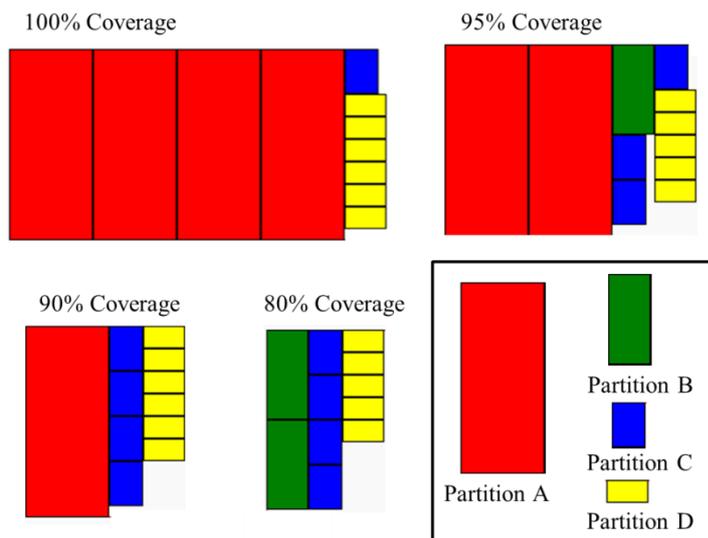
263

264 **TABLE 1 Locker Bank Model Results**
 265

Coverage (%)	Number of Consignments		Partition Combination
	Accommodated (n=425)	Required Length [m (ft)]	
100	425	3.33 (10.92)	A,A,A,A,C,D,D,D,D,D
99	420	3.33 (10.92)	A,A,A,A,C,D,D,D,D,D
98	416	2.96 (9.71)	A,A,A,B,B,C,D,D,D,D
97	412	2.22 (7.28)	A,A,B,C,C,C,C,D,D,D
96	408	2.22 (7.28)	A,A,B,C,C,C,C,D,D,D
95	403	2.22 (7.28)	A,A,B,C,C,C,C,D,D,D
90	382	1.41 (4.62)	A,C,C,C,C,D,D,D,D,D
80	340	1.04 (3.41)	B,B,C,C,C,C,D,D,D,D

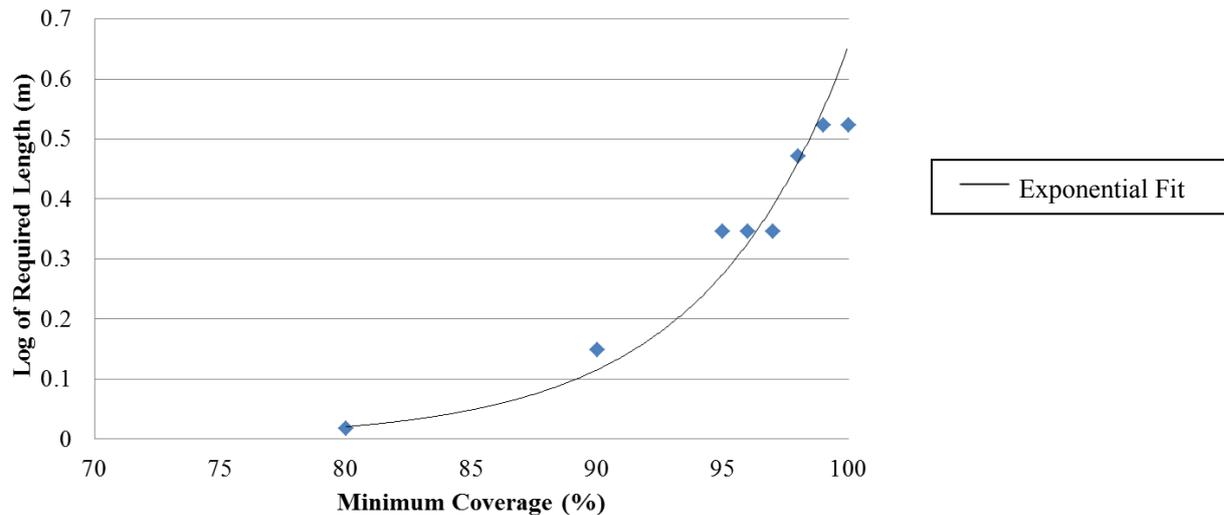
266 The results in Table 1 indicate that a locker bank 3.33m (10.93ft.) in length will accommodate between 99% and
 267 100% of all consignments for the year. Between 403 and 416 of the total consignments will fit within a locker bank
 268 measuring between 2.22m (7.28ft.) and 2.96m (9.71ft.).
 269

270 Analysis of partition combinations shows a rapid decrease in the required number of partition A with a
 271 gradual decrease in the percentage of minimum coverage. Analysis of the demand data according to the 'best-fit'
 272 partitions for each consignment indicates that only 11% of deliveries require a partition A, a further 11% partition B,
 273 0.5% partition C, and 78% partition D. This relationship is reflected in the combinations of partitions provided for
 274 each of the minimum coverage scenarios.
 275



276
 277 **FIGURE 2 Locker Bank Model: Visual Output.**
 278
 279
 280

281 Assessment of the results in Table 1 represented in the Log-y transform of the required length (Figure 3) indicates a
 282 stepped increase and an exponential increase in the relationship between the minimum coverage and required length.
 283 These relationships explain the occurrence of gaps within the locker box diagrams (Figure 2), which allow for
 284 additional capacity to be provided without requiring an increase in the overall length of the locker bank.
 285



286
 287
 288 **FIGURE 3 Required Locker Bank Length Against Minimum Coverage.**

289
 290 **DISCUSSION**

291
 292 The locker box concept has been presented as a method for separation of urgent and non-urgent inventories and dis-
 293 intermediation of the internal hospital supply chain for orders of urgent items, which under 'normal' operations can
 294 become delayed within the receipts area. The main aims of this system are to: provide an alternate route of supply
 295 for urgent items to PCUs to enable consolidation of non-urgent consignments; and, increase the speed, visibility and
 296 monitoring of urgent items entering the hospital. Interviews with clinical and non-clinical members of staff provided
 297 insight into the contextual uses for a locker box within GOSH.
 298

299 **Operational Use**

300
 301 *Delivery Notification and Collection of Items*

302 Non-clinical members of staff were questioned regarding the process for notification of an items delivery. The
 303 original concept proposed to staff entailed confirmation messages being sent to the consignee's mobile phone /
 304 email address. However, interviewees identified that clinical members of staff are issued with hospital beepers, and
 305 ward access to emails is intermittent and inconsistent. Therefore it was established that notification of an items
 306 delivery would be sent via the switchboard / help-desk, who may then forward the message and necessary security
 307 information to open the locker partition onto the intended recipient for collection.

308 Interviews with clinical members of staff also indicated that given an item being delivered via the locker
 309 box chain is urgent, collection of an item would be performed by any member of staff who is available at that time.
 310 This would include all members of the clinical team from junior to senior roles.

311 Due to the optimal configuration of the locker bank, a 'fail-safe' mechanism would be required to ensure
 312 that should an item not be collected before 08:00 the next day, materials management staff would collect the item
 313 and deliver it to the recipient PCU. This mechanism however presents issues of an items correct / intended use as an
 314 item may be collected and sent to the ward / department store without specific identification of the patient it is
 315 intended for.
 316

317 *Next-Day Delivery*

318 Results from clinical staff interviews identified the lead-time between the day of order and time receiving deliveries
 319 being a common issue. Whilst it has been identified that this lead-time can be artificially extended due to bottle-

320 necks at the receipts area, staff suggested that a reduction in the agreed 48-hour lead-time would improve the
321 delivery of treatment to patients.

322 An unattended locker bank unit would facilitate this, enabling out-of-hours deliveries to be made over night
323 providing next-day delivery of items. Non-clinical management and support staff perceived this to be of use
324 predominantly to laboratories and in the event of unpredictable patient demand. However, adoption of faster lead-
325 times for all goods for PCUs is regarded as unattractive. Whilst enabling faster delivery time on goods is largely
326 feasible for many manufacturers, a lead time of 24–48 hours is agreed by the hospital to encourage staff to anticipate
327 demand and order products in advance of requiring them to maintain a ‘safe’ inventory buffer and prevent life
328 threatening stock-out scenarios.

329

330 **Contextual Scenarios**

331 *Faulty / Incomplete Items / Critically Urgent Items*

332 Staff identified that on rare occasions: supplies received by the hospital may arrive with faults / incomplete contents
333 / breaches of containment, rendering them unfit for purpose; or, supplies may be required for a same-day transfer. In
334 such an event, when an item is in immediate demand without replacement items available, materials management
335 staff contact local NHS Trusts to locate the required item. In such circumstances, items may be sourced from
336 numerous Trusts within separate geographical locations, collected by separate couriers. Use of a locker box would
337 provide a point of consolidation for such goods, providing greater levels of track-and-trace for items and faster
338 delivery to the final point of use.

339

340 *Deliveries and Collection of Laboratory Samples*

341 Non-clinical members of staff suggested that the on-site laboratories which occasionally require further testing to be
342 conducted at local NHS Trusts off-site may benefit from use of the system. Currently, samples are collected either
343 through the receipts area or direct from the department. A dedicated temperature controlled locker box partition
344 would provide a separate location from which the samples could be left, allowing for a faster, more efficient
345 collection process.

346

347 *Inter-Departmental Transfers*

348 Interviews with clinical members of staff indicated that on average 60 person-to-person inter-departmental transfers
349 occur per week. Such transfers are necessary to manage the stock-out situations on wards which in-turn create
350 difficulties in the management of the required size of inventories and individual ward budgets. Using the locker
351 bank for inter-departmental transfers received negative responses from interviewees. The perceived benefits of
352 improved inventory management afforded by the use of locker banks for inter-departmental transfers were
353 outweighed by the speed at which a person-to-person transfer can be completed.

354

355 **FURTHER CONSIDERATIONS**

356

357 **Locker Box Location**

358 An analysis of the top 5 departments receiving non-stock orders for the duration of the 2011/12 financial year,
359 indicated that situation of the unit within close proximity to XMR (189 orders), Perfusionist (57 orders) and Cardiac
360 theatres (49 orders), would be most appropriate.

361 The main issue to consider in implementing a locker bank is the physical space required to accommodate a
362 system within a secure and convenient location easily accessible to those delivering and collecting items i.e. close to
363 areas of use and within clean / sterile areas of the hospital so staff are not required to change their clothing to make
364 collections.

365 In addition to this, whilst the locker box units are secure, situation within an area to ensure security during
366 delivery and collection, when items are most exposed to theft and tampering must be considered.

367 Recognition of such requirements may require adaptation of the locker bank concept to enable dual-entry
368 for delivery of items from one side and collection by staff within a clean hospital environment from the other.
369 Consideration of the availability and potential interference of wireless communications within selected locations is
370 also required to accommodate electronic locker banks.

371

372

373 **Wider Implications**

374

375 *Out-of-Hours Deliveries*

376 Potentially one of the greatest benefits the unattended locker bank system offers in facilitating consolidation is out-
377 of-hours deliveries of critically urgent items, providing potential savings on staff utilization, operational efficiencies,
378 and transport associated CO₂ emissions. Studies by Brom et al (39) and Holguín-Veras et al (40) found that pilots of
379 off-hour delivery programs provided reductions in costs and improvements in delivery conditions and staff
380 utilization as a result of increased reliability in delivery times. A pilot of off-hours deliveries in Manhattan
381 comprising 33 companies, receiving deliveries between the hours of 19:00 and 06:00, indicated economic benefits in
382 the order of \$147 to \$193 million per annum as a result of travel time savings, reductions in CO₂ emissions for
383 regular-hour traffic and increased freight productivity (40).

384

385 *Personal Deliveries*

386 Studies by Song et al (33) and Edwards et al (27, 32) provide strong evidence to suggest that implementation of
387 locker bank facilities at work locations would provide significant cost savings to carriers and customers in terms of
388 reducing the travel associated with failed first-time delivery attempts and the collection of items from couriers
389 depots.

390 There are currently an un-quantified number of personal deliveries ordered by staff received through the
391 receipts department at GOSH. However, an analysis of the deliveries and servicing activities for the Transport for
392 London, Palestra building in London, which employs 2,500 staff, found that 26% of 121 deliveries received over a
393 5-day period were attributed to personal staff orders (39). With respect to GOSH, the delivery of personal orders
394 may add significantly to hospital-related traffic; and, the sorting and delivery of such items can contribute to
395 overloading of the receipts departments' human resources and storage capacity. As a result personal deliveries are
396 regarded as undesirable by members of the supply chain teams and corporate facilities.

397 Using the proposed locker bank for receipt of such items was presented to clinical and non-clinical
398 members of staff as a solution to this issue. The idea received negative responses from supply chain and corporate
399 facilities staff who perceived that such a facility may act to encourage staff to request personal orders to be delivered
400 to the locker bank, therefore reducing its available capacity and its ability to perform its primary function of
401 accepting urgent medical items.

402

403 **CONCLUSION**

404

405 The flow of goods-in to GOSH has been found to operate at sub-optimal levels with poor vehicle load factors and
406 the slow movement of urgent items between the external and internal supply chains, via a central receipts
407 department. These issues are particularly pertinent with the high frequency of ad-hoc deliveries and the provision of
408 urgent items to the hospital for specific patient requirements.

409 An unattended electronic locker bank to which urgent items can be delivered in order to separate urgent and
410 non-urgent goods, and bypass the traditional route of supply was proposed. The locker bank comprised numerous
411 separate partitions (individual lockable boxes), each of which can accommodate various different consignments
412 intended for different consignees. The practical feasibility of a unit according to the demand of urgent goods-in was
413 tested using a hill climbing optimization technique and, staff interviews. Results of the quantitative analysis indicate
414 that a locker bank measuring 3.33m (10.93ft.) in length, 1.7m (5.58ft.) height and 0.8m (2.62ft.) depth, comprising
415 of 11 partitions would be required to accommodate 100% of all urgent consignments passing into the hospital during
416 a typical week. The expected benefits of this are the removal of an average of 8 urgent deliveries from the daily
417 average number of adhoc deliveries [n=81], thereby allowing for consolidation of the remaining non-urgent
418 deliveries.

419 Staff perceptions of the locker box concept were predominantly positive suggesting the locker bank would
420 potentially improve the speed and quality of healthcare delivered to patients. Interviews also identified the wider
421 extent of benefits which the concept can provide such as the returns of goods and personal staff deliveries.

422

423

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425

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428

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