

Releasing funds for better care for South London Nursing Homes

CLIENT	South London Nursing Home
SECTOR	Healthcare
COST CATEGORIES	Insurance, Office Supplies, Laundry, Janitorial Supplies, Medical Supplies

THE CLIENT

South London Nursing Homes was established in the early 1980s when its first Nursing Home, The Pines in Putney, was opened. Its aim was, and still is, to provide a high quality home for those requiring care. Further Homes have since been opened - Knowle Park in Cranleigh in 1986 and Galsworthy in Kingston in 1991. The Nursing Homes were brought together as South London Nursing Homes Ltd in 1996 and now care for a total of 164 patients.

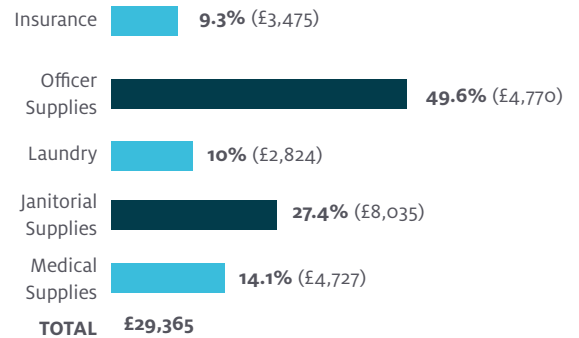
THE CHALLENGE

Steve Carroll, Operations Manager for South London Nursing Homes, realised the importance of effective cost management and had already reviewed various expenses himself and found savings. Although pleased with his achievements, his work highlighted to him how time consuming such reviews can be, particularly on top of all his other duties.

Bearing this in mind Steve met with Expense Reduction Analysts consultants Hartley Jenkinson and Peter Stamp. He says, "When they offered to review a variety of cost areas I jumped at the opportunity. Their no-saving, no-fee proposal was particularly attractive as it minimised the risk to us if no savings were achieved and, if savings were found, it certainly made paying fees worthwhile."

Hartley and Peter set to work reviewing a series of expenditure categories and Hartley explains, "We managed to negotiate savings with existing suppliers and also tendered to alternative suppliers for each service. In two areas these alternative suppliers Offered greater savings without compromising service levels and South London Nursing Homes were happy to change suppliers to achieve these higher savings." Due to their specialist knowledge in this area, Laurie Malyon and Scott Ingham of Expense Reduction Analysts were invited to review expenditure upon insurance. They were able to achieve savings of £3,475 and, more importantly, their investigations uncovered the fact that South London Nursing Homes' incumbent broker had understated the size of the business. As a consequence the company was being potentially underinsured. This issue was addressed and South London Nursing Homes now has the correct level of cover at a lower price, whilst retaining the original broker.

SUMMARY OF SAVINGS



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Engaging Expense Reduction Analysts has confirmed to me that reviewing expenditures is very worthwhile. I have invited them to investigate our utilities expenditures when our present contracts with service providers expire.

STEVE CARROLL,
OPERATIONS MANAGER