



Unlocking the benefits of product rationalisation: an ICS approach across BSW

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#bettercarecostsless

Unlocking the benefits of product rationalisation: An ICS approach



BSW Acute Hospital Alliance Procurement Services

*Driving value for patient care through Collaborative Procurement, Commercial
and Supply Chain Services*



Why Product rationalisation matters for BSW ICS

ICS = Integrated care system

Our focus is enhancing our ability to make collaborative decision making across the system to ensure we have the right people making decisions for the right product to be in the right place, following the right processes in the right time.

The challenge is the variations/ duplications, historic requirements, clinical preferences and efficient management of catalogues



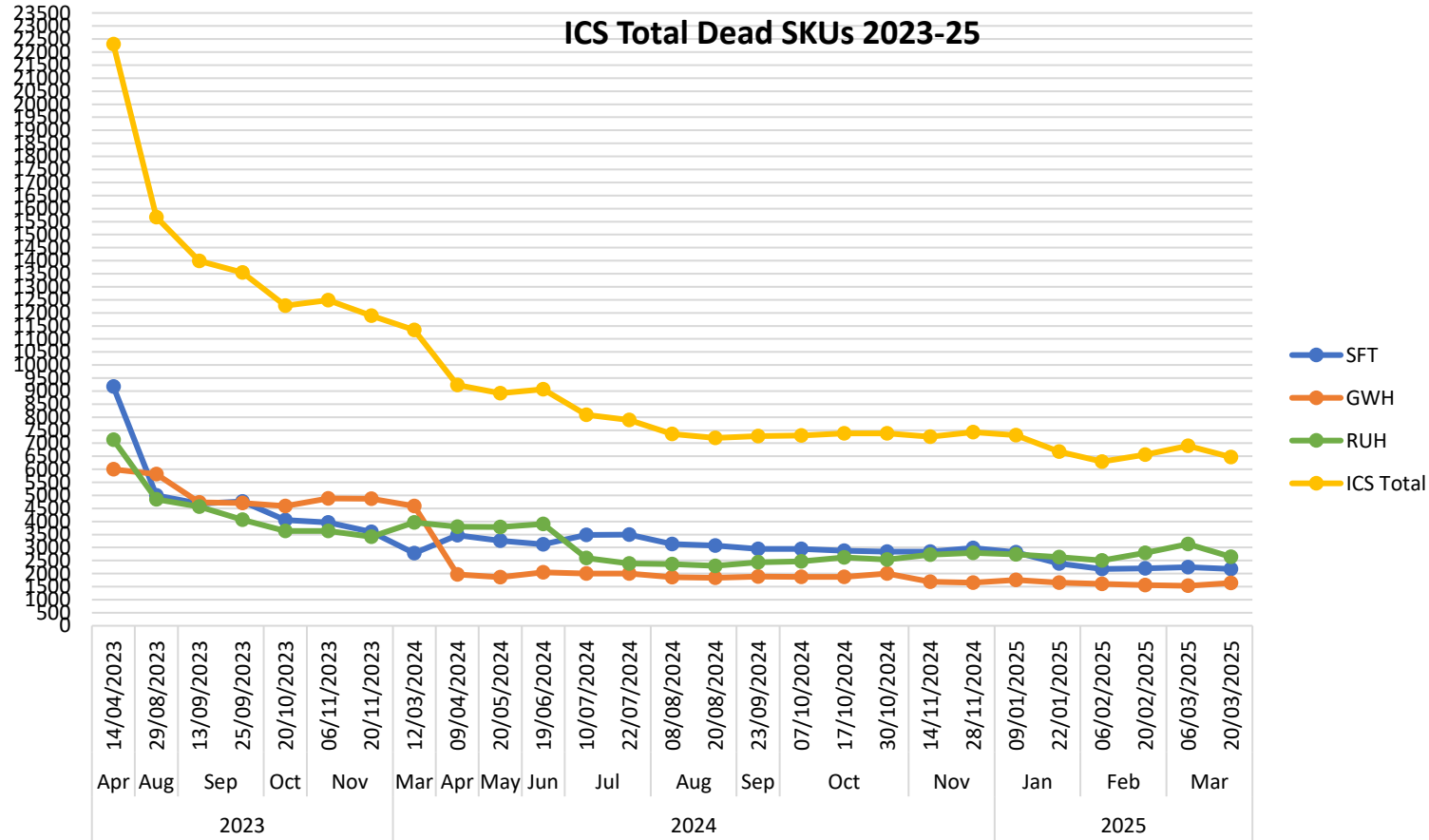
From Complexity to Simplicity : Triptych of Standardisation/Rationalisation



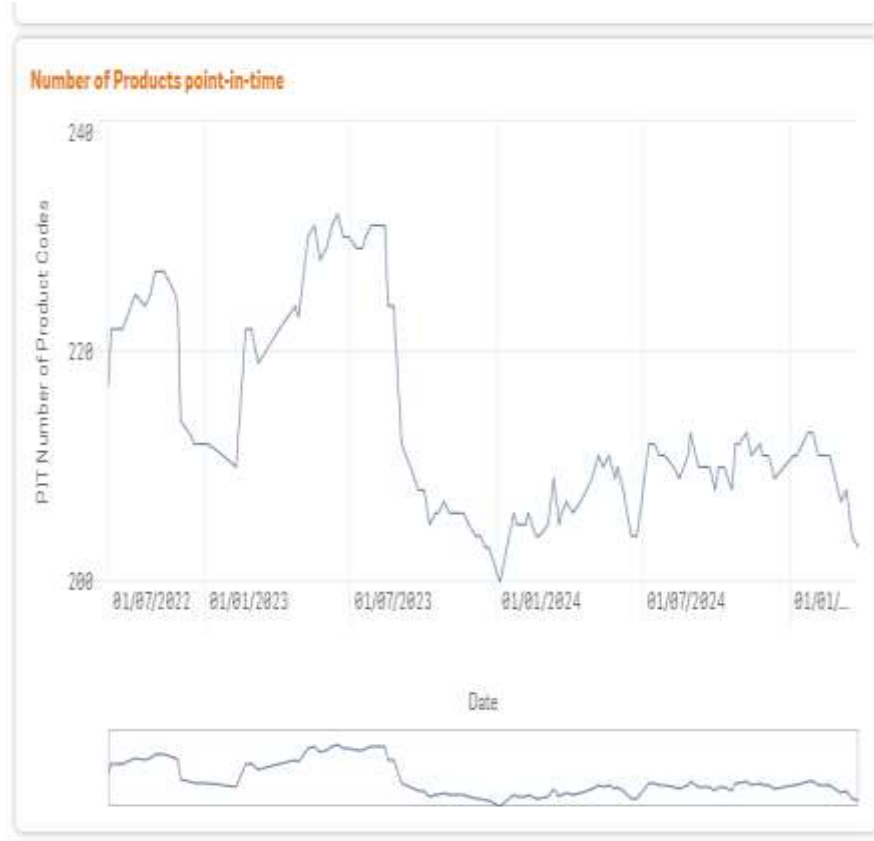
From Complexity to Simplicity : Impact of product rationalisation



From Complexity to Simplicity : Example Optimisations



From Complexity to Simplicity : Example CRM contract review



Saving Impact by Financial Year	Savings Recuring / Non Recurring	GWH	RUH	SFT	ICS TOTAL
Financial Year 22/23	Recurring	-£ 11,751	£ 43,670	-£ 11,537	£ 20,383
Financial Year 22/23	Non Recurring	-£ 90,068	-£ 90,068	-£ 90,068	-£ 270,204
Total Savings for Financial Year 22/23		-£ 101,819	£ 46,398	-£ 101,605	£ 249,821
Financial Year 23/24	Recurring	-£ 5,875	£ 21,835	-£ 5,768	£ 10,191
Financial Year 23/24	Non Recurring	-£ 156,264	-£ 156,264	-£ 156,264	-£ 468,792
Total Savings for Financial Year 23/24		-£ 162,139	-£ 134,429	-£ 162,032	-£ 458,600
Financial Year 24/25	Non Recurring	-£ 156,264	-£ 156,264	-£ 156,264	-£ 468,792
Financial Year 25/26	Non Recurring	-£ 156,264	-£ 156,264	-£ 156,264	-£ 468,792
Financial Year 26/27	Non Recurring	-£ 66,196	-£ 66,196	-£ 66,196	-£ 198,588
TOTAL RECURRING SAVINGS OVER THE LIFE OF THE CONTRACT	Recurring	-£ 17,626	£ 65,505	-£ 17,305	£ 30,574
TOTAL NON RECURRING SAVINGS OVER THE LIFE OF THE CONTRACT	Non Recurring	-£ 625,055	-£ 625,055	-£ 625,055	-£ 1,875,166
OVERALL SAVINGS OVER THE LIFE OF THE CONTRACT		-£ 642,681	-£ 559,550	-£ 642,360	-£ 1,844,592

From Complexity to Simplicity : Example stock utilisation

Location Description	Item Code	Item Description	Sum of Max Value BEFORE	Sum of Max Value AFTER	Sum of Max Difference	Sum of Max Level AFTER	Sum of Stock on Shelf AFTER	Sum of Overstock	Sum of Current Value of Overstock
CARDIAC PACING			£320,730.79	£266,186.17	-\$54,544.62	699	798	99	£54,558.07
Grand Total			£320,730.79	£266,186.17	-\$54,544.62	699	798	99	£54,558.07

Stakeholder engagement impact: Engage to change

- Establish well in advance project groups to define purpose of change, role and responsibilities and timelines
- Regular meetings with finance to dive deep into a location and the data surrounding it
- Variation reviews monthly to investigate increases in non pay spend

Data driven decision making and unlocking that potential

Our data tools across procurement through advising gives us the opportunity to :

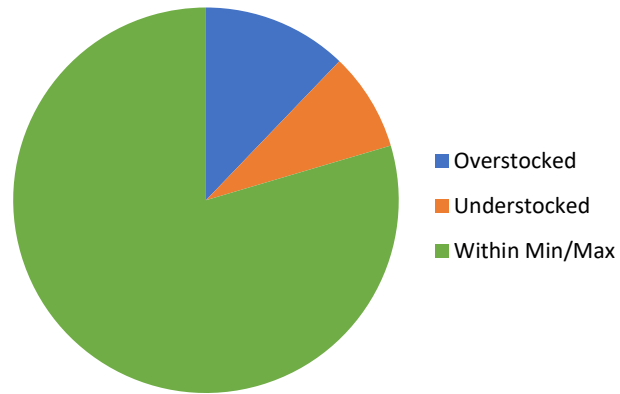
1. Assess waste and low usage products
2. Transfer of products across the system
3. Pairing and validation of data across systems
4. Deep dive in any category to provide full breakdown for any location that has IMS looking at trends on product change and activity
5. Use of predictive analytics and monitoring historic usage to identify early, items likely to expire so they can be dealt by swapping them out or transferring them to a Trust that can use them immediately

Data driven decision making and unlocking that potential : Cardiology Deep Dive

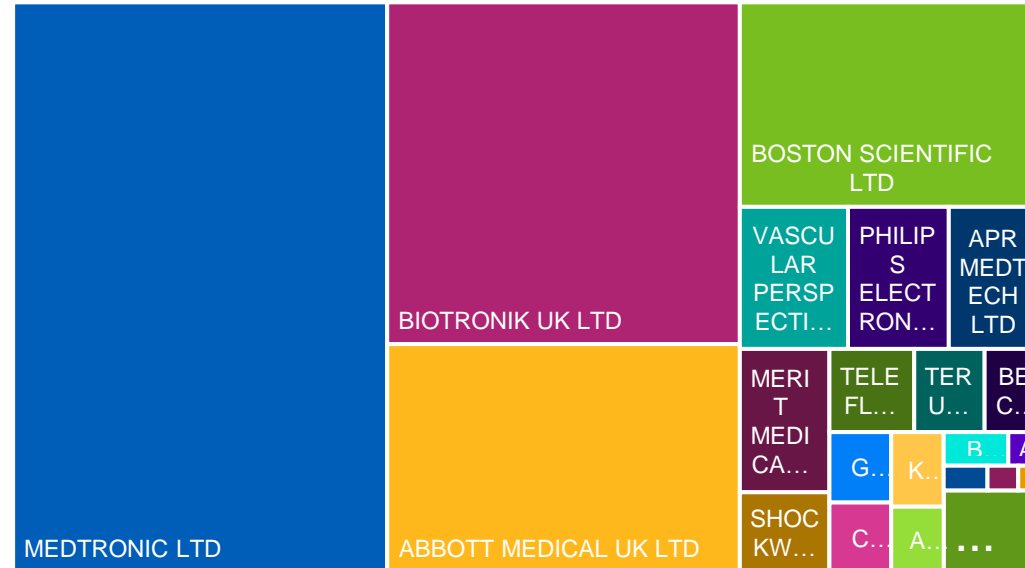
Location & Stock Position	No of Items	Stock Value (15/01/25)	Value if at Max Level	Variance (Stock - Max)	Percentages
CARDIOLABS	929	£390,372	£464,068	-£73,695.38	8%
Consignment	137	£54,216	£89,358	-£35,142.00	6%
Overstocked	17	£12,960	£7,584	£5,376.00	17%
Understocked	37	£6,126	£39,834	-£33,708.00	2%
Within Min/Max	83	£35,130	£41,940	-£6,810.00	8%
Owned	792	£336,156	£374,710	-£38,553.38	9%
Overstocked	74	£44,839	£27,566	£17,273.23	16%
Understocked	45	£25,014	£50,482	-£25,468.78	5%
Within Min/Max	673	£266,303	£296,661	-£30,357.83	9%
CARDIOTEC	96	£9,450	£10,168	-£717.91	9%
Owned	96	£9,450	£10,168	-£717.91	9%
Overstocked	13	£5,148	£3,800	£1,347.59	14%
Understocked	11	£172	£985	-£812.77	2%
Within Min/Max	72	£4,130	£5,383	-£1,252.73	8%
CARDTEC-PT	199	£618,548	£625,580	-£7,032.06	10%
Owned	199	£618,548	£625,580	-£7,032.06	10%
Overstocked	45	£141,504	£81,846	£59,658.04	17%
Understocked	8	£48,907	£65,189	-£16,282.23	8%
Within Min/Max	146	£428,137	£478,545	-£50,407.88	9%
Grand Total	1224	£1,018,370	£1,099,816	-£81,445.35	9%

Data driven decision making and unlocking that potential : Cardiology Deep Dive

Items Stock Position 15/01/25

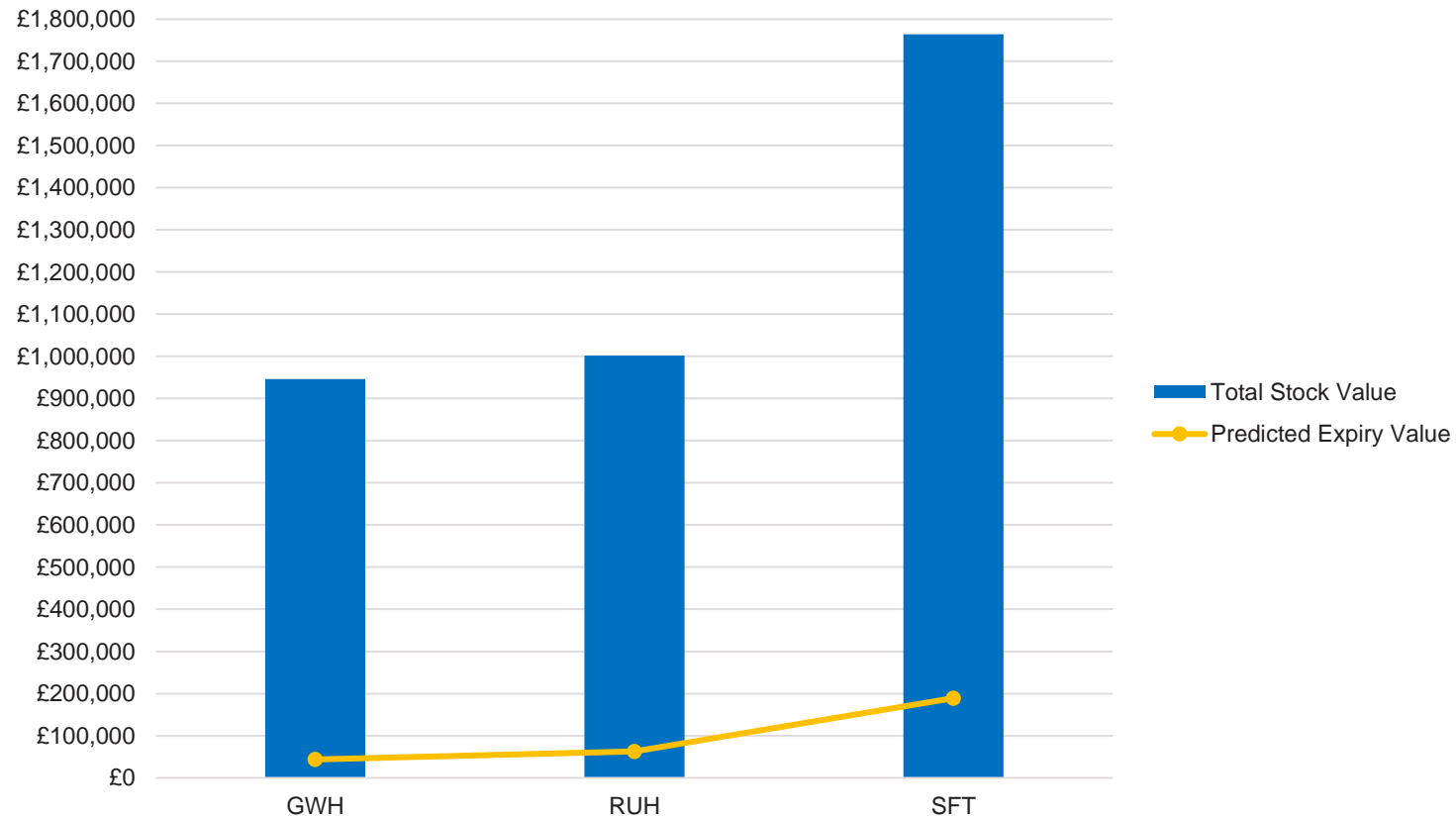


Stock Value Per Supplier 15/01/25



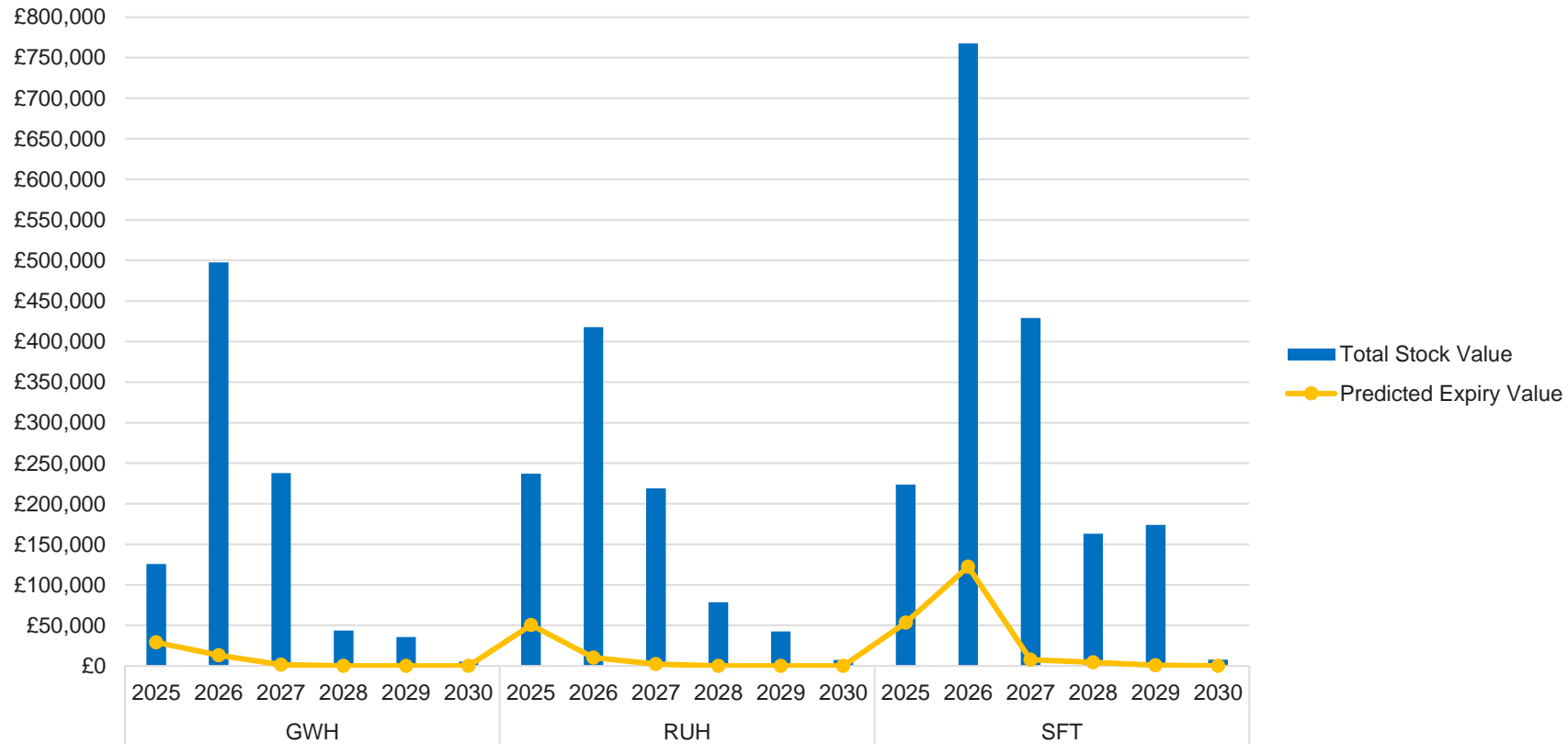
Data driven decision making and unlocking that potential : Forward look

ICS Predicted Owned Stock Expiry vs Total Next 5 Years Per Trust
03/04/25



Data driven decision making and unlocking that potential : Forward look

ICS Predicted Owned Stock Expiry vs Total Next 5 Years Per Year 03/04/25



One ICS, One vision: Realising the future



Good data and reporting tools, good processes to review and action on data, Monthly KPI's in place to drive value, Project forums

Orthopaedics kitting to drive standardisations across the system, PCI contract review and dressings formulary review

Warehouse to hold kitting and major products, ICS wide contracts across all specialties, One IMS across the ICS

Right Product, Right Place, Right Time, Right Process that will drive sustainability, rationalization and standardisation