

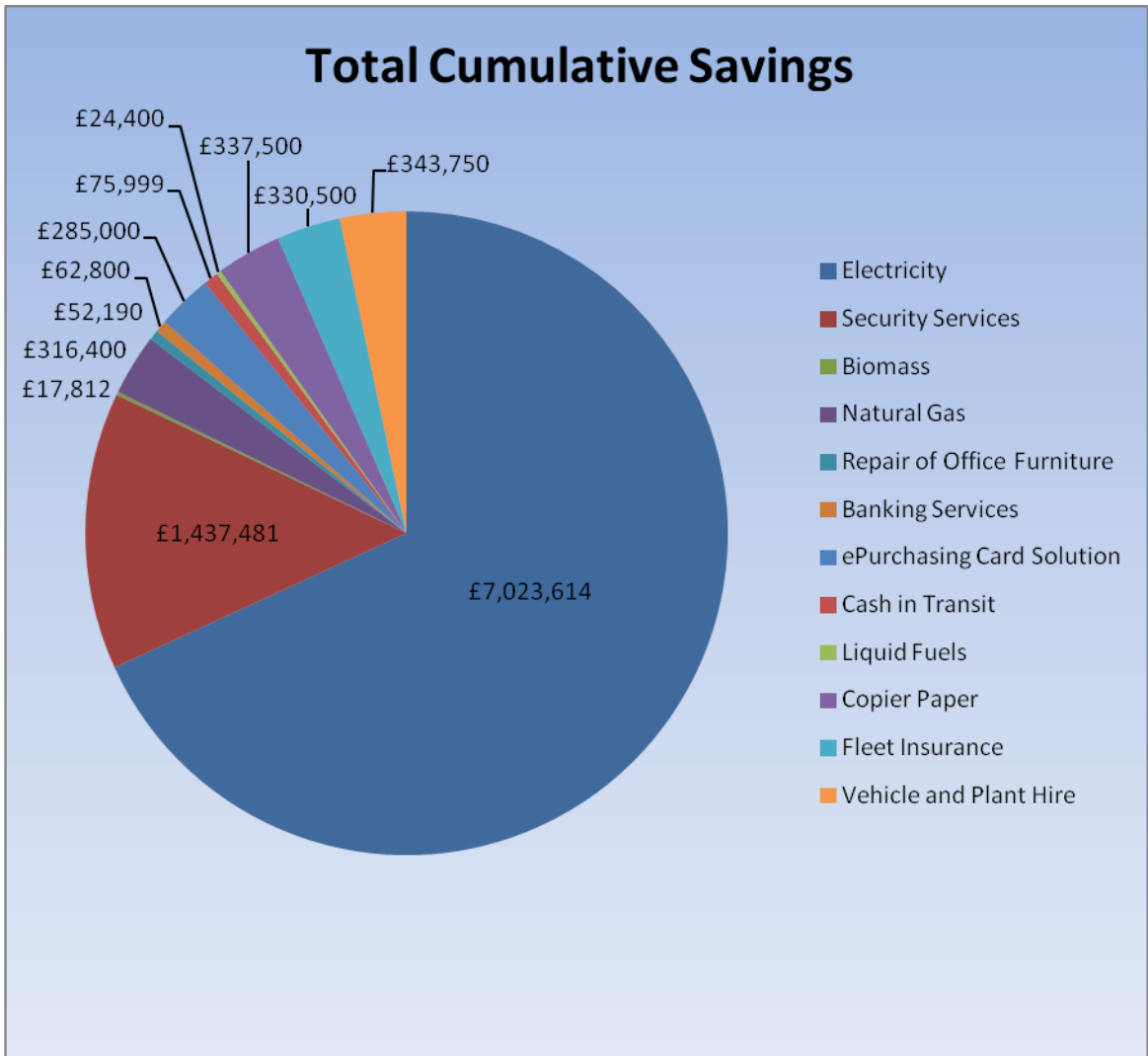
## Collaborative Procurement Annual Update June 2016

### Collaborative Procurement Review

1. Between 1 April 2014 and 31 March 2016, CPD awarded 43 collaborative contracts for a range of common goods and services with a total value of approximately £465m.
2. Further details on the contracts awarded through CPD from the inception of the collaborative procurement programme can be found at **Annex A**. Details of awarded Collaborative Contracts are also available on the CPD website <https://www.finance-ni.gov.uk/topics/procurement/collaborative-arrangements-supplies-and-services>.
3. Of the 43 collaborative contracts awarded 27 of these (63%) were awarded to Small and Medium Sized Enterprises (SMEs) with the remaining 16 (37%) being issued to large organisations with 251 or more staff.

### Savings

4. The 43 contracts awarded through CPD have achieved total cumulative savings of approximately £10.3m. These savings will increase over the duration of the contracts and as additional organisations onboard.
5. Savings for contracts awarded through CPD are calculated by comparing the unit price paid under previous arrangements against the prices secured under the collaborative deal.
6. Details of the categories where the £10.3m total cumulative savings were achieved from 1 April 2014 to 31 March 2016 are shown in the diagram below:



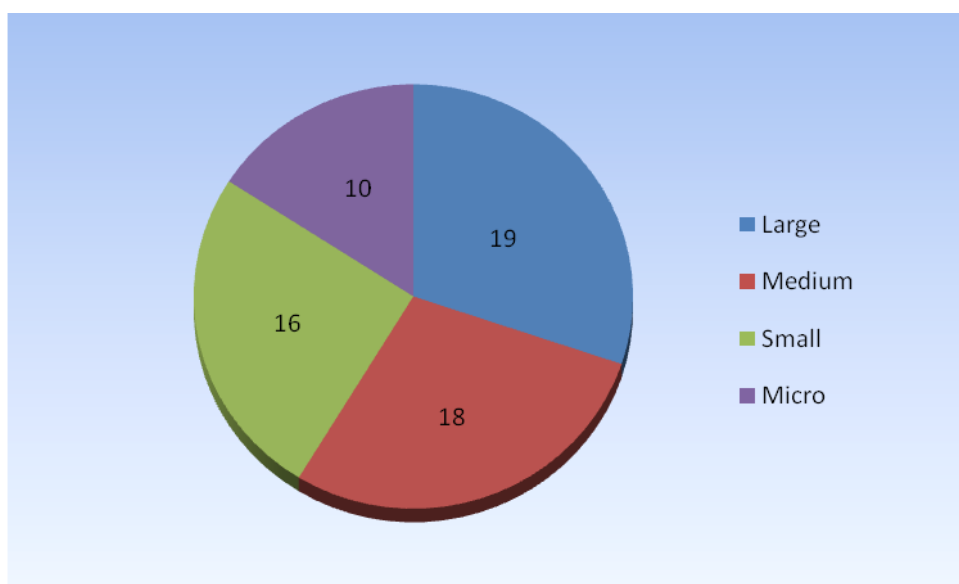
7. In addition to the savings delivered through CPD arrangements, further savings are made through the use of Crown Commercial Service (CCS) frameworks and contracts under a Memorandum of Understanding between the Cabinet Office and the Department of Finance. Cumulative CCS savings for the period 2014/15 to 2015/16 total £8.7m. When combined with the CPD cumulative figures above for the same period, a total value of £19m is realised.

#### **Collaborative Procurement Update 2015/2016**

8. CPD awarded 26 new collaborative arrangements from 1 April 2015 to 31 March 2016 with an estimated annual value of £79m. The arrangements have 63 suppliers associated with them, 48 being registered in Northern Ireland, 13 in Great Britain, and 2 in the Republic of Ireland.

9. A saving of £5.3m was achieved on collaborative contracts awarded through CPD in 2015/2016. This equates to 6.7% saving which exceeds the savings target of 3%.
10. The 2015/2016 collaborative arrangements were awarded to a variety of different sized organisations from micro (one to ten staff) to large (with 251 or more employees) as shown in the diagram below.

### Organisational Size of Framework Suppliers 2015/2016



11. £2.8m savings were also achieved through use of CCS arrangements during 2015/2016.

### Collaborative Procurement 2016/2017

12. CPD continues to develop its collaborative procurement programme and has highlighted a number of key areas to target in 2016/2017. Details of the future collaborative procurement programme can be found in **Annex B**.
13. Monthly updates on collaborative opportunities are provided in the Collaborative Procurement Pipeline which is published on the CPD website at <https://www.finance-ni.gov.uk/publications/current-procurement-pipeline>.

## **Cross Cutting Reform Projects**

14. CPD is committed to identifying collaborative procurement opportunities to ensure best value for money for common goods and services. This commitment has been further strengthened through a number of cross cutting reform projects which require bodies to make greater use of collaborative procurement and reduce costs of purchasing by adopting best practice payment processes.
15. CPD will continue to work with departments and their sponsored bodies to explore opportunities to further increase the level of collaborative procurement and to reduce transactions costs particularly for high volume low value purchases.

## **Collaborative Procurement Funding**

16. The Cross Cutting Reform initiative has provided central funding for Collaborative Procurement for 2016/2017.
17. Central funding will allow CPD to increase the scope of collaborative procurement and continue to provide a significant return on investment through the savings delivered.

**COLLABORATIVE CONTRACTS AWARDED****2014/15**

Supply of Electricity to Public Sector Buildings  
NICS Security and Ancillary Services Contract  
Supply of Biomass  
Supply, Delivery and installation of eCar Charging Points  
Waste Management Services  
DFP Postal Services (Path finder for future Collaborative Contract)  
Courier Services lot 2 specialised and secure  
Offsite Storage  
Supply of Natural Gas to Public Sector Buildings  
DFP Fixing and Repair of Office Furniture, Furnishing and Accessories  
Fuel Card Service  
NICS Supply of Motor Vehicle and Motor Cycle Batteries  
Garage Sundries  
Vehicle oils, greases and anti freeze  
Unmetered Electricity

**2015/16**

Banking Services  
ePurchasing Card Solution - Central Government  
ePurchasing Card Solution – Wider Public Service  
Provision of Merchant Acquiring Services  
Provision of Taxi Services  
Collaborative Travel Management Services  
Cash in Transit  
Auction Services for the Sale of Vehicles and Associated Garage Equipment  
Supply of Liquid Fuels  
Copier Paper  
Supply of Electricity to Public Sector Buildings - Metered  
Supply of Electricity to Public Sector Buildings - Unmetered  
Supply of Liquefied Petroleum Gas and Associated Equipment  
Motor Fleet Insurance Brokerage Services  
Motor Fleet Insurance Cover  
Office Supplies and IT Consumables  
Supply and delivery of Tyres and Associated Services  
NICS Cleaning, Catering and Ancillary Services  
Porterage Services and Furniture Storage  
DFP supply and fitting of window blinds and curtains for the NICS estate  
Supply, Delivery and Installation of Steel Storage Units  
Public Sector Data Centre  
Fleet Industrial Gas  
Vehicle and Plant Hire  
SIB/AMU Professional Services Framework Agreement

## **Procurement Pipeline for 2016/2017**

Campaign Advertising Framework  
Learning and Development Framework  
Agency Workers Framework  
Payment Solutions Framework  
Personal Protective Equipment  
Fleet Spot Purchase  
Natural Gas  
Waste Management Services  
Courier Service to include dangerous / hazardous goods  
Disposal of protectively marked paper  
Desktops, Thin Clients, Monitors  
Laptops & Mobile Devices  
General Insurance  
Postal Services  
Saloon and hatchback vehicles  
Childcare vouchers  
Employee Assistance Programme