

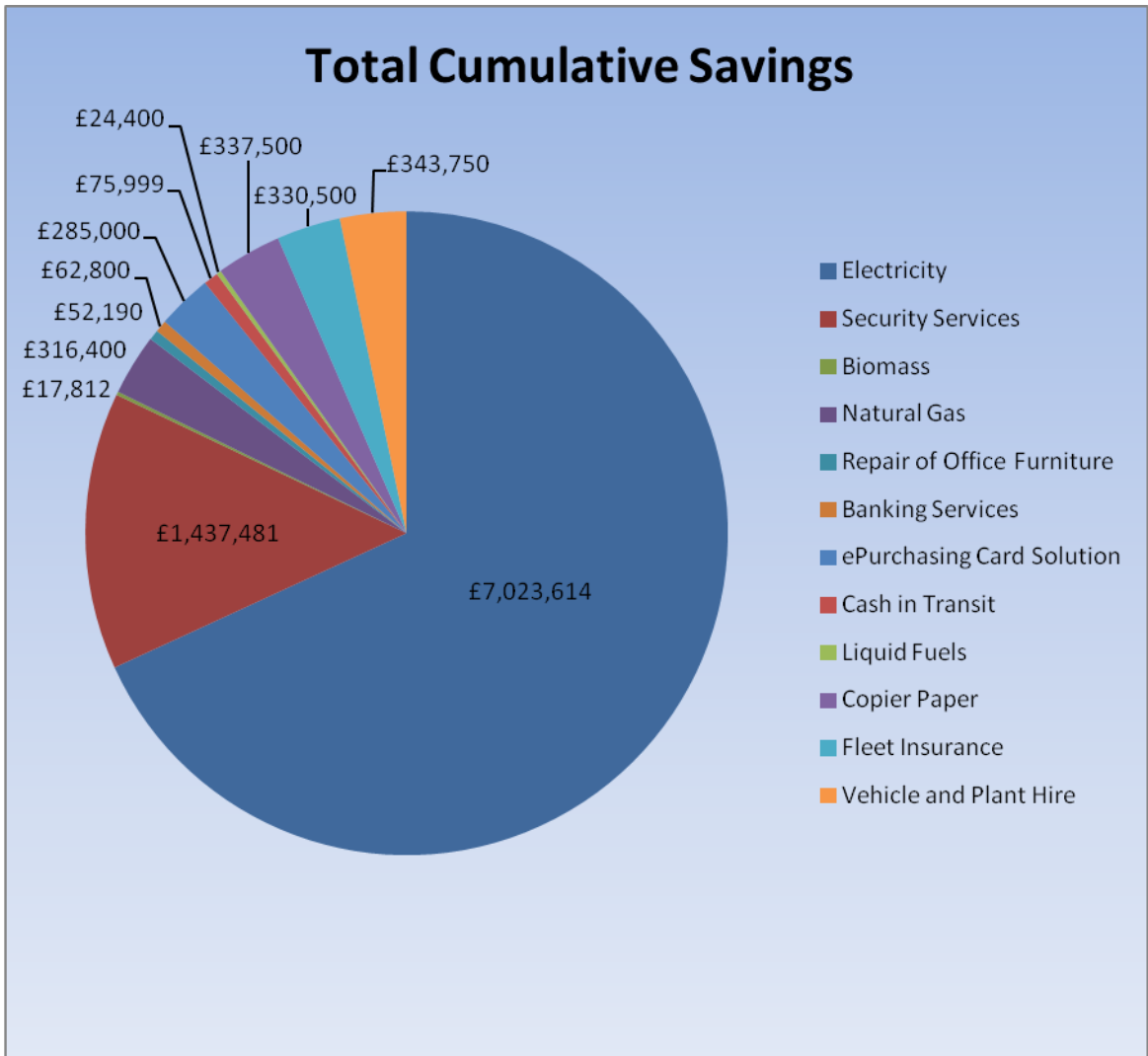
Collaborative Procurement Annual Update June 2016

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:



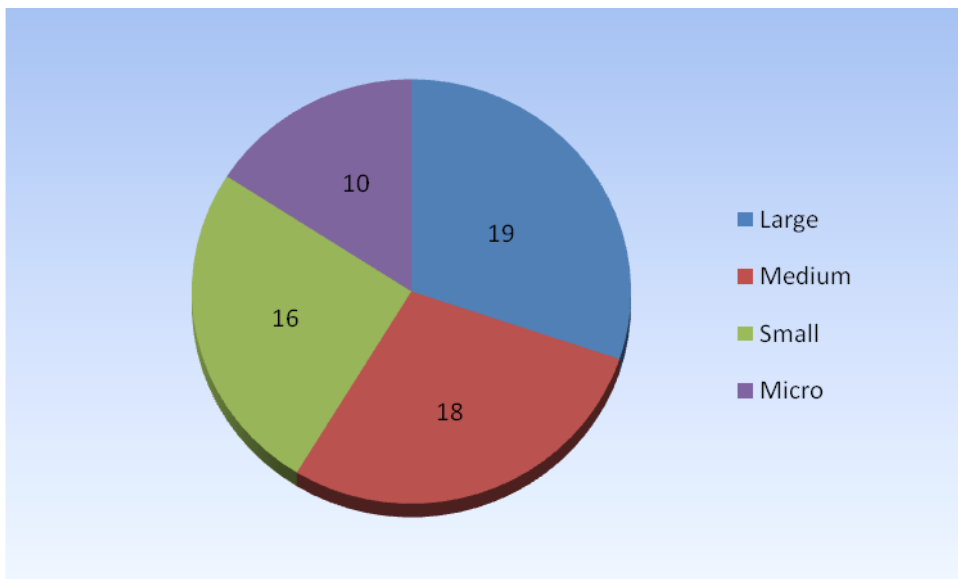
7. In addition to the savings delivered through CPD arrangements, further savings are made through the use of Crown Commercial Service (CCS) frameworks and contracts under a Memorandum of Understanding between the Cabinet Office and the Department of Finance. Cumulative CCS savings for the period 2014/15 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
 Portage 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