

Collaborative Procurement Annual Update

October 2018



Construction & Procurement Delivery
Seachadadh Foirgníochta agus Soláthair



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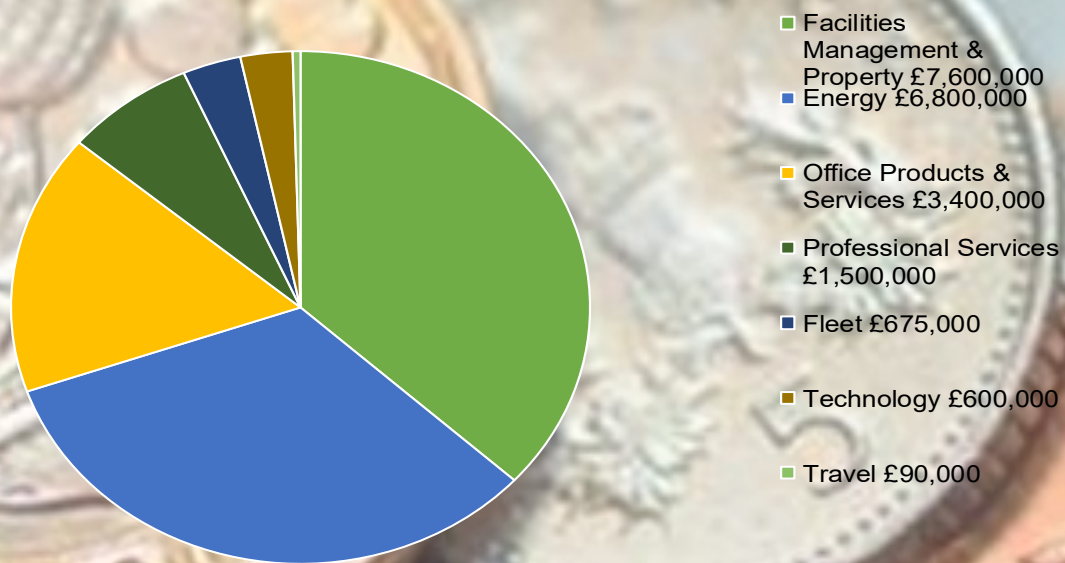
VALID TO 10/2018

Collaborative Procurement Review

1. Between 1 April 2014 and 31 March 2018, Construction & Procurement Division (CPD) awarded 69 collaborative contracts for a range of common goods and services with a total value of approximately £817m.
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/articles/supplies-and-services-collaborative-arrangements>
3. Of the collaborative contracts awarded:
 - 52% contracts were awarded to Small and Medium Sized Enterprises (SMEs)
 - 6% contracts were awarded to Micro organisations
 - 42% contracts were awarded to large organisations (i.e. firms with 251 or more staff)

Savings

- The 69 contracts awarded through CPD have achieved total cumulative savings of approximately £20.6m. (The cumulative figure includes actual savings delivered through contracts awarded during this period).
- 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.
- Details of the categories where the £20.6m total cumulative savings were achieved from 1 April 2014 to 31 March 2018 are shown in the diagram below.



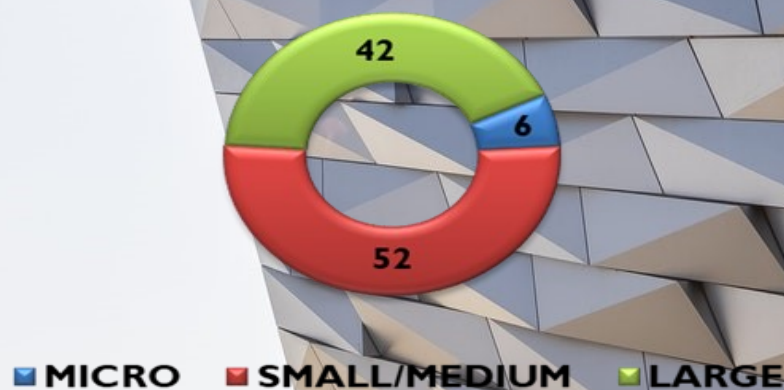
- In addition to the savings delivered through CPD arrangements, further savings are made through the use of Crown Commercial Service (CCS) frameworks and contracts under a Memorandum of Understanding between the Cabinet Office and the Department of Finance.

The total savings for collaborative procurement including CCS arrangements is approximately £37.8m for the period 1 April 2014 to 31 March 2018.

Collaborative Procurement Update 2017/2018

8. CPD awarded 14 new collaborative arrangements from 1 April 2017 to 31 March 2018 with an estimated total value of £174m (annual value of £68m). The arrangements have 43 suppliers associated with them, 20 being registered in Northern Ireland.
9. Savings of £4.2m¹ are anticipated (the savings figure includes all forecast savings for the duration of the arrangement) on collaborative contracts awarded through CPD in 2017/2018. This represents a 2.4% saving on the total value of contracts awarded during 2017/18.
10. The 2017/2018 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 Suppliers (%) 2017/18




11. £2.1m savings were also achieved through the direct use of CCS arrangements during 2017/2018.
12. The savings total for contracts awarded through CPD and the direct use of CCS arrangements is £6.3m.

¹This figure includes savings achieved through running secondary competitions using arrangements established by Crown Commercial Service and their partners (including Liquid Fuels, Office Supplies, Fleet, Fuel Cards, ePurchasing cards etc.) 4

Collaborative Procurement 2018/2020

13. CPD continues to develop its collaborative procurement programme and has highlighted a number of key areas to target in 2018/2020. Details of the future collaborative procurement programme can be found in Annex B.
14. 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/articles/view-current-cpd-procurement-pipelines-supplies-and-services-opportunities>

Buy Social

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15. The Strategic Investment Board (SIB) 'Buy Social' model has been piloted in a number of Collaborative contracts including Cleaning and Catering Services and Postal Services to create paid employment and training opportunities for long-term unemployed people, young people leaving education, apprenticeships and paid student work placements.
16. The key lessons learned from the pilots include;
- Early engagement with service users and suppliers is essential to manage user's expectations and help the market develop in this area;
 - Provide clear and unambiguous guidance to tenderers on the requirements and what resources are available to assist contractors deliver the requirements; and
 - Ensure the monitoring arrangements are detailed within the tender documents and the roles and responsibilities of all parties are clear.
17. Cleaning and Catering services and Postal Services contracts were awarded during 2016 on behalf of multiple public sector organisations and both include challenging recruitment and training opportunities for new entrants. To date 16 new jobs have been created from cleaning and catering contracts and a further three new opportunities from the postal contract, including the employment of a registered disabled person and an apprenticeship.
18. Details on the Buy Social model is available from www.buysocialni.org. In addition the SIB Buy Social Brokerage website has been developed to help contractors who win public work find employability brokers who will help them deliver their Buy Social obligations - www.buysocialnibrokerage.org

Annex A—Collaborative Contracts Awarded

2014/15

Courier Services lot 2 specialised and secure

DFP Fixing and Repair of Office Furniture, Furnishing and Accessories

DFP Postal Services (Path finder for future Collaborative Contract)

Fuel Card Service

Garage Sundries

NICS Security and Ancillary Services Contract

NICS Supply of Motor Vehicle and Motor Cycle Batteries

Offsite Storage

Supply, Delivery and installation of eCar Charging Points

Supply of Biomass

Supply of Electricity to Public Sector Buildings

Supply of Natural Gas to Public Sector Buildings

Unmetered Electricity

Vehicle oils, greases and anti-freeze

Waste Management Service

2015/16

Auction Services for the Sale of
Vehicles and Associated Garage
Equipment

Banking Services

Cash in Transit

Copier Paper

DFP supply and fitting of window
blinds and curtains for the NICS
estate



Annex A—Collaborative Contracts Awarded (Contd)

Motor Fleet Insurance Brokerage Services

Motor Fleet Insurance Cover

NICS Cleaning, Catering and Ancillary Services

Office Supplies and IT Consumables

Porterage Services and Furniture Storage

Provision of Taxi Services

Provision of Merchant Acquiring Services

Public Sector Data Centre

SIB/AMU Professional Services Framework Agreement

Supply, Delivery and Installation of Steel Storage Units

Supply and Delivery of Tyres and Associated Services

Supply of Electricity to Public Sector Buildings – Metered

Supply of Electricity to Public Sector Buildings – Unmetered

Supply of Liquid Fuels

Supply of Liquefied Petroleum Gas and Associated Equipment

Travel Management Services

Vehicle and Plant Hire

2016/2017

Agency Workers

Campaign Advertising

Courier Service for the transportation of dangerous / hazardous goods

General Insurance

IT Consumables

Learning & Development Framework



Annex A—Collaborative Contracts Awarded (Contd)

Natural Gas

Office Supplies

Postal Services

Property Professional Services

Unmetered Electricity

Window Blinds – supply installation cleaning and repair

2017/18

Check Services

Cleaning and Ancillary Services

Copier Paper

Desktops / Laptops

External Professional Services

Floor Covering

Insurance Advice

Legal Services

Merchant Acquiring Services

Removal of Protectively Marked Paper

Supply and Fit of Tyres

Translation and Interpretation

Unmetered Electricity

Waste Management



Annex B—Procurement Pipeline for 2018/2020

Biomass Fuel
CHECK Services
Copier Paper
Desktops, Monitors and Mobile Devices
Disposal of Marked Paper
Fitting & repair of Office Furniture
Floor Fitting
Industrial Gases
Liquid Petroleum Gas
Lubricating Oils and Greases
Motor Vehicle Insurance
Natural Gas
Networking Equipment
NICS Catering & Cleaning
NICS Data Network
Non OEM Parts
Office Furniture
Personal Protective Equipment
Public Sector Shared Services
Security and Ancillary Services
Staff Counselling
Specialist Courier Services
Tyres and associated Services
Vehicle Batteries

