

Achieving benefits for the North East through Collaborative Procurement.

NEPO Overview

January 2015

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WHAT NEPO DOES

NEPO procures high value solutions that deliver savings on behalf of its Member Authorities in areas including **Energy, Professional Services, Construction** and **Facilities Management & Social Care**. Each of NEPO's 50 solutions are designed to enhance and support Collaborative Procurement and deliver direct economic, social and environmental value to the region.

NEPO Energy: The new electricity contract saved over £1M in first year, and is forecast to save £2.8M for the initial contract period from April 2014. The new gas contract saved £300,000 in first year, and forecast to save £1.5M across the contract period from April 2015. NEPO is also piloting automatic meter reading for water, and developing a new framework for water management services. Both initiatives will help Member Authorities to reduce water consumption. In a move to secure longer term budget certainty NEPO is investigating the market for buying electricity directly from a renewable generator through a power purchase agreement.



NEPO Professional Services: Across two flagship neutral vendor solutions for both Temporary Agency Workers and Specialist Professional Services, Member Authorities benefit from dedicated account management based in the North East. Both innovative solutions offer a fully managed supply chain and clear and transparent charging mechanisms.

NEPO Facilitates Management & Social Care: Managing a large and diverse range of solutions across the NEPO work programme, each solution plays an important role in meeting the needs of Member Authorities service provision. Highlights include the solutions for Food and Milk, and Management and Collection of W.E.E.E. NEPO also manages the 'NE6' approved provider list of Children's Residential Homes offering a unique solution aimed at streamlining commissioning and improving provision for the North East.



CONSULT DESIGN BUILD

NEPO Construction: Across three flagship agreements for Building Construction Works, Building Construction Consultancy, and Transportation & Civil Engineering, NEPO has quickly developed a significant pipeline of activity providing competitive regional solutions. Focus includes increasing local spend, increasing local employment, managing the impact on the environment, robust supply chain engagement and delivering a shared apprenticeship scheme.

The **NEPO Business Club** continues to deliver training courses to suppliers and providers in the North East, with the content of all courses and sessions being specifically designed to up-skill and improve local suppliers' ability to compete for public sector work.



New opportunities for winning business

NEPO is committed to supporting the **North East economy** and works in partnership with our 12 member local authorities to deliver **workshops, events, briefings** and **one to one sessions** with the aim of supporting all businesses and social enterprises with a base in the North East, to access and **win local authority opportunities**. The vast majority of businesses based in the North East are SMEs and all support provided by the Business Club is tailored to meet their needs and requirements.

Supplier training and development is a **key strand of the NEPO core business**. The North East economy is reliant on public sector spend and, as part of the business growth agenda, supporting businesses to understand the local authority market and become aware of how to **successfully win tenders and bids** regardless of their size is key to their success. Business support is currently offered at a national level through BIS programmes and there is no appropriate programme to meet the needs of our NE suppliers and providers, therefore the programme of support is essential for local suppliers.

NEPO hosts the **NEPO Portal** and **NEPO Strategic Analysis System** which provide the region with the technical capability to carry out electronic tendering and spend analysis. NEPO manages the **NEPO Portal** (ProContract) which is the outward facing system for advertising and facilitating procurement opportunities across the region. The system is hosted by Due North and managed by NEPO.

Role of NEPO is to manage the efficiency of the system and ensure its **continuing evolution** is both fit-for-purpose and in-line with the latest legislative requirements. NEPO also provide a **support-desk** for both our Member Authorities and our supply base.

The effectiveness of this system is critical for ensuring that NEPO and Member Authorities have a **full electronic solution**, thereby making a positive impact on the local economy by generating effective opportunities for local suppliers.

NEPO and all Member Authorities hope to move to a new 'v3' platform in 2015 which will see one of the most significant overhauls of the system and user interface since the solution was adopted. As we move closer to an agreed go-live date, NEPO will be **actively engaging with our supply base** to ensure that the **benefits of this new streamlined solution** can be adopted with minimal impact, supported by an appropriate training programme.

NEPO **represents the North East** at a range of national forums to ensure that the region has a joined up voice able to influence the development of national procurement policy and

thinking. NEPO represent the region of the Local governments Associations National Advisory Group and with members of CNE have helped shape the national procurement strategy for local government that was launched in summer of 2014.

NEPO operates a successful **Associate Membership** scheme that allows the wider public sector to access NEPO's solutions, thus increasing the exposure of NEPO suppliers and building the profile of North East procurement and delivering national solutions.

The key **benefits** to Associate Members are:

- Secures **best value**
- Achieves significant savings in **staff time**
- Gives confidence that they are accessing **compliant** contracts.
- Underpinned by **Service & support**

NEPO currently has **over 100** associate members including:

- Local Authorities from outside the North East
- Educational Establishments (HE, FE and Academies)
- NHS Bodies
- Universities
- Housing Associations
- Registered Charities

Associate membership is offered **free of charge**.

Collaborative Procurement

A new work programme will be delivered across the region to maximise the procurement resource. A new model has been developed where NEPO and individual authorities will lead of Collaborative Procurements with NEPO as the Hub and the local authorities as Spokes. Local authorities are acting as **Spoke Leads** across **twelve new areas**. The new approach to Collaborative procurement will ensure that supplier engagement is undertaken across the full collaborative procurement work programme.

Collaboration North East is the group of regional Heads of Procurement. Meetings are held monthly to **share best practice, agree strategic aims** and **develop the regional work programme**. The group also has an important role in shaping procurement policy and practices and ensures procurement expertise and capacity is maximised within the region. CNE members also represent the group in various different forums both regionally and nationally.

The review provided an opportunity for NEPO to step away from a traditional, transactional service to one that is **innovative, future facing** and **transformational** in impact; one that nurtures **connectivity across the region** and embeds good collaborative procurement practice. Local Authorities have already **pledged strong commitment to work together** and the regions Directors of Resources are advising the new Collaborative Procurement Sub Committee on the delivery of the work programme, performance management and future opportunities.