

ACHIEVED EFFICIENCIES /DELIVERED SAVINGS (some examples over last 12 months)

- **iLearn Licences** – saved 4% year each year for 3 year contract by going direct award to the company rather than through G-Cloud 12 – this was done via an exemption but supports that argument why it isn't always good practise to use a framework – we need to be able to demonstrate value for money (value was £98k over 4 year contract)
- **LAN Refresh** - Used SBS NHS Digital Workplace Solutions we were able to award directly to SCC PLC to make significant savings through awarding direct and contracting with SCC PLC for 5-year contract which also includes the installation of the hardware working with ICT staff as they will be carrying out some of the work.

This procurement was to purchase the LAN equipment on behalf of CFRS and BFRS, but circumstances required for each service to be responsible to create 2 parallel contracts. To achieve savings of around £160k in total (around £80k + US\$/GBP exchange rates allowed more saving for CFRS.

Both agreements were dependant on each service to agree a contract by cop 31 July 2022 to get the savings as CISCO were due to raise their prices as from 1 August 2022.

This demonstrates the importance of market intelligence and understanding the market and supply chain within the category – this again supports the move made a few years ago to a category management approach as opposed to a general procurement approach. (This was achieved through a permissible Direct Award through the NHS SBS Framework) - again showing the need to understand the various routes to market and options available to the Authority.

- **MDT Software** – we identified a framework that could accommodate our requirement as this was an existing requirement. It was decided to do this through a permissible direct award exemption as Airbus offered us a 6% discount which they would have paid to the framework owners instead they offered it to us if we go direct award for an extension. We could only agree a 3-year contract as Airbus would not agree for a shorter period.
- **IP Phones** – ITQ went out for the purchase of the phones inviting 6 companies to submit a quotation and a saving of 7.52% on each handset was made compared to buying the IP Phones through the CCS Catalogue. (again this demonstrates knowing your market and routes to market)
- **Legionella Contract** - A 9.8% saving on the recent 12 month contract extension of our Legionella contract was achieved following negotiations with the supplier. (This was done in 2 parts – halfway through first year extension the contractor wrote asking for a price increase which was challenged by the category lead, we then agreed for a second year extension where we were quoted an 18%

inflationary uplift. Once again the Category Lead undertook negotiations looking at various factors of the contract and this was then proportionately applied bringing the increase down to 8.2% - the supplier was then asked to provide the rationale – NI Contributions and salary with a proportionate increase relating to fuel which will be used for future engagement.

- **Assessment/Verification Training** Saving of approx £30k following an ITQ process rather than awarding a permissible contract to an existing supplier – on the flip side of direct award and exemption by knowing the market it was proposed by the category lead that we should test the market following a benchmarking and indicative costings exercise, which then resulted in the above saving quoted by the incumbent supplier (who does other work for us) originally quoting £60k to do the work.
- **BSI Management Improvement Contract** – The supplier has agreed to hold the price for the next 12 month extension period following negotiations with the supplier at the annual contract extension date/ anniversary – due to meetings on line, reduction in travel and time etc it was agreed not to increase as per their original request.
- **Lone Worker Alert System** – The supplier agreed to fix the price of the contract for the initial 3 year period following clarification conversations at contract award stage. The original terms and conditions stated a year on year increase in line with CPI rate. - general terms and conditions had a year on year increase we negotiated and asked them to hold the price with a rationale as to why. (that said it was a low value contract)
- **BA Compressor purchase** – 10% saving achieved - going out a quick call for quotes and not just moving forward with incumbent supplier. This was following a sense check, aware of the market and options by going through Air services UK – we only had a contract for servicing and not for purchase, for St Johns – no contract in place for purchase, told by BA supplier if purchased by Air Service UK who we have a contract with for servicing, got a quote – how do we know it is accurate, get a quote from Interspiro and get a quote from manufacturer. Did save 10% - supplier market intelligence
- **Dry Suits** - OSG recently advertised for sale our old dry suits following the introduction of the newly purchased dry suits into the Service. All monies will be put back into the equipment budget. DC to update how much money was raised at the next VFM meeting. - awaiting savings information from Finance. This was a refresh of drysuits – some were at end of life for our use but usable for general purpose use (more leisure) offered to service personnel and people purchased with any money made going back into the budget

- **ICT Shared Service** - Following an ITQ process rather than awarding the contract to the incumbent supplier for the Cyber Penetration Testing a saving of £6,430 was saved for CFRS and as this was a combined procurement for ICT Shared Service BFRS also made some savings of £4,130
- **Savings Smoke Alarms** - In light of the current supply chain issues causing delays to the delivery of smoke alarms across the country, work has been undertaken by the Commercial team to ensure continuous supply of alarms to the Service for 2022. Previously due to scarcity of supply we had to purchase alarms from a local reseller at heavily inflated costs to bolster our stock levels.

Following discussions and review of alternatives available under the National Framework we have now placed an order with Fire Blitz using the Framework terms.

The decision to purchase an alternative alarm rather than continuing to place orders with re-sellers has realised a saving to the organisation of approx. £6 per alarm unit.

For context: the recent order placed was for 720 alarms (3 month supply).

Fireblitz costs **£3,780**

If we had purchased via a re-seller the costs would have been **£8,280** (based on our previous unit price from 2021).

On this order alone the Service has achieved a **saving of £4,500**

An additional order for smoke alarms was placed with our new supplier in February to ensure a continued supply of alarms for the remainder of 2022/23. Using the Framework rather than the local supplier used at the beginning of the supply issue has again resulted in a saving to the Authority, this time of **£13,500**.

Since placing those orders we have seen increases in the costs of smoke alarm units on the National Framework due to the current supply chain issues being faced in the industry. However the Authority has been able to avoid the impact of this due to the forecasting work undertaken at the beginning of the year resulting in our orders being placed for the remainder of 2022 prior to the cost increase. This has resulted in further savings to the authority of **£720** bringing the total savings to date to **£18,720**

- **DREAM replacement financial software**. We might not have made any financial savings as the last time we went to tender for this software was in 2001 so we had no real comparisons. We certainly achieved saving in time, resources used to run the procurement through G-Cloud rather than going out to open tender. As above knowing the market can save time, resource, and money, these therefore are also savings.

Team Savings

Continuing to work on a reduced capacity the savings made from this will enable us to bring in a replacement prior to the incumbent category lead leaving to ensure sufficient handover and training to minimise the impact of category lead leaving.

Commercial team have a number of meetings as part of their role, by working from home and reducing travelling time this has enabled them to be able to absorb some of the impact of reduction to the team and increase productivity due to less travel time to suppliers and therefore non productive time.

This has also resulted in a cost saving of travel costs and subsistence costs as well as at times overnight hotel costs and reduces our carbon footprint and that of the suppliers at the same time.

Cleaning

In addition to initial savings being achieved through insourcing, through not paying TUPE or redundancy costs, savings continue to be realised through low attrition rates of staff, purchasing products ourselves for use and no mark up on contract rates generally a high turnover of staff in cleaning but because they are integral to BSG we haven't seen this. TDS to do some benchmarking of costs against other FRS's and Public Sector organisations during financial year 2023 -24.