


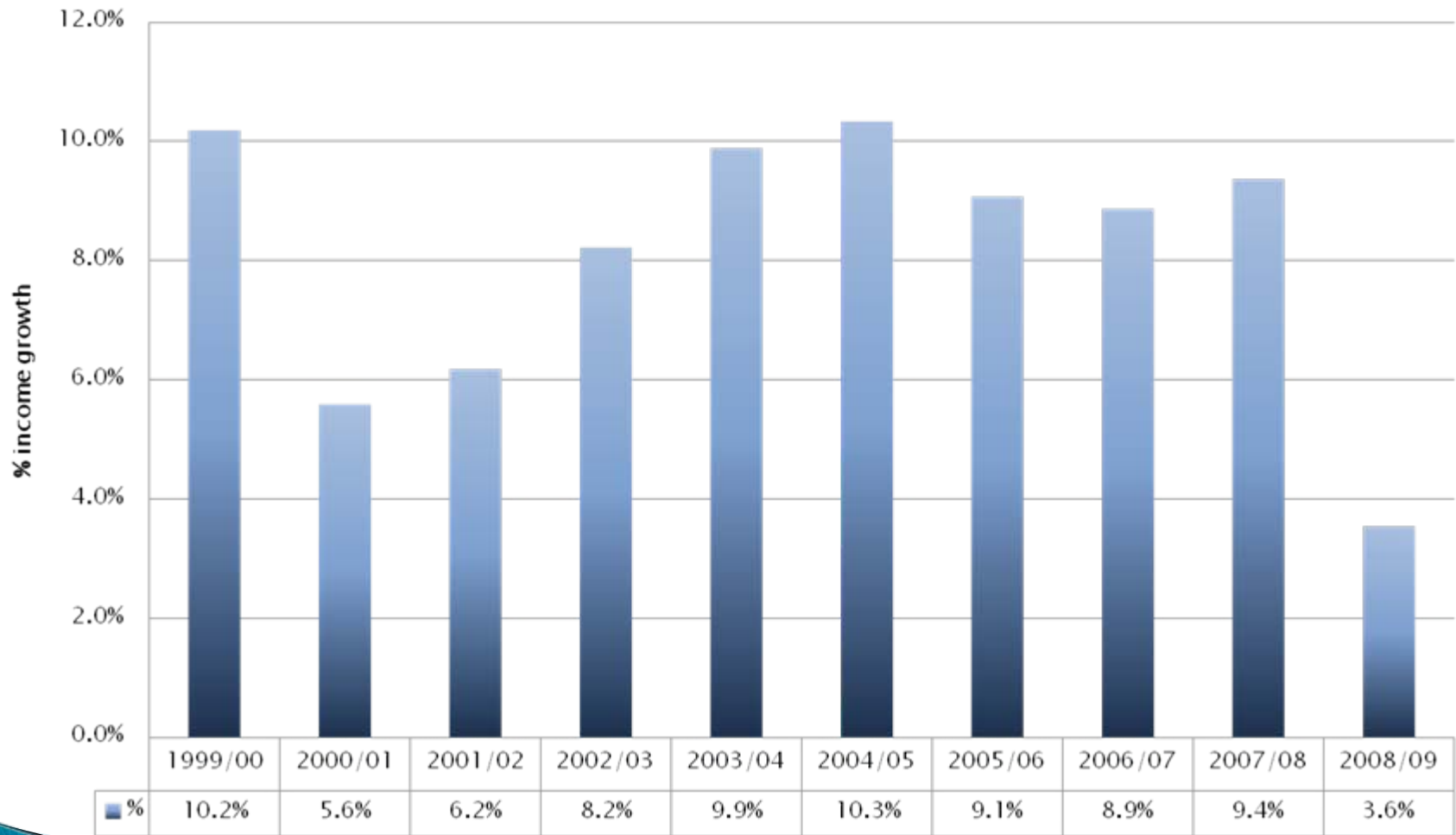
A Senior Management Team View of Procurement in HEI's

Andrew Neal
30th March 2010

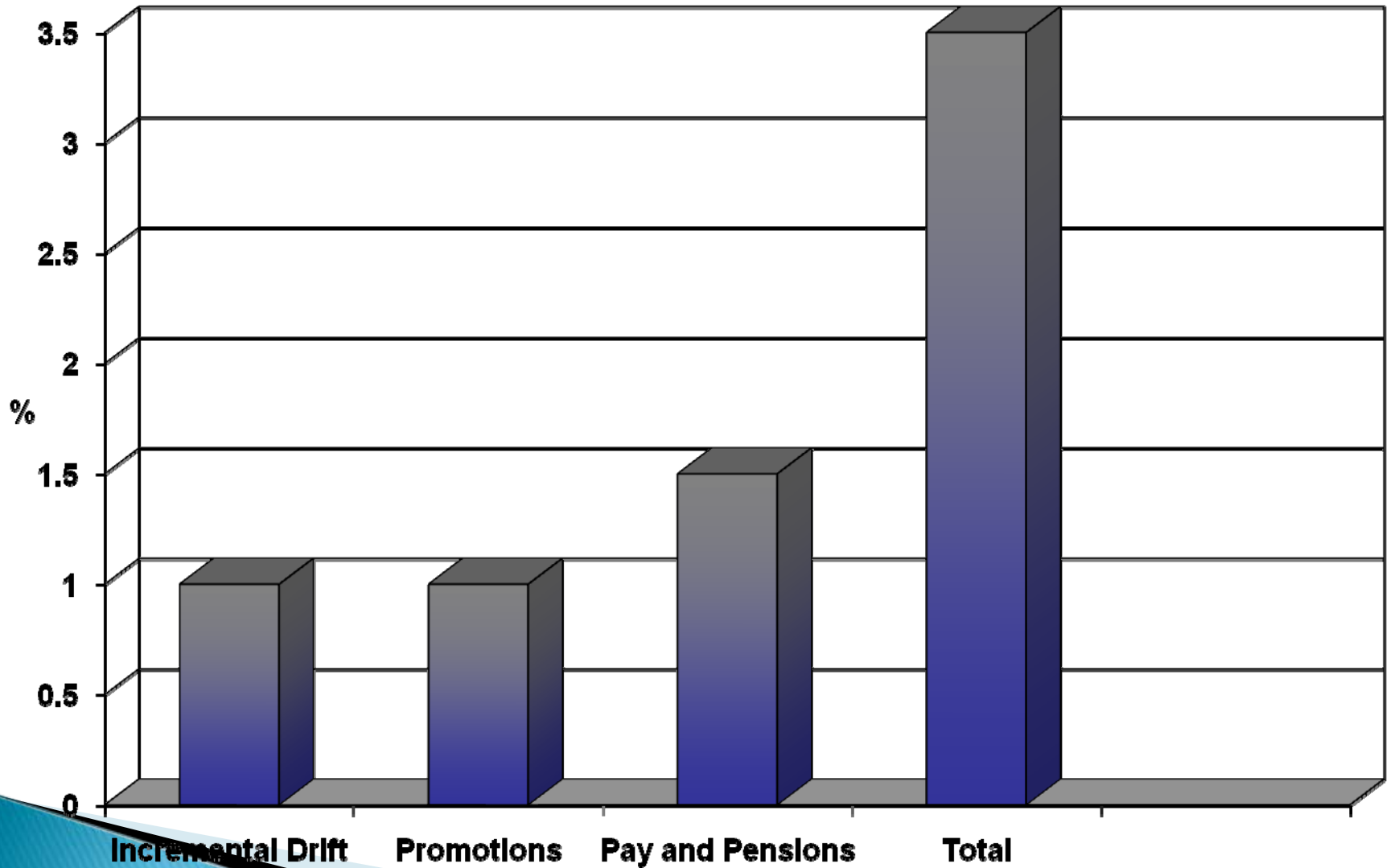
Context

- ▶ Financial squeeze
 - ▶ Process/shared service
 - ▶ Risk management
 - ▶ Speed, flexibility
 - ▶ Sustainability
- 

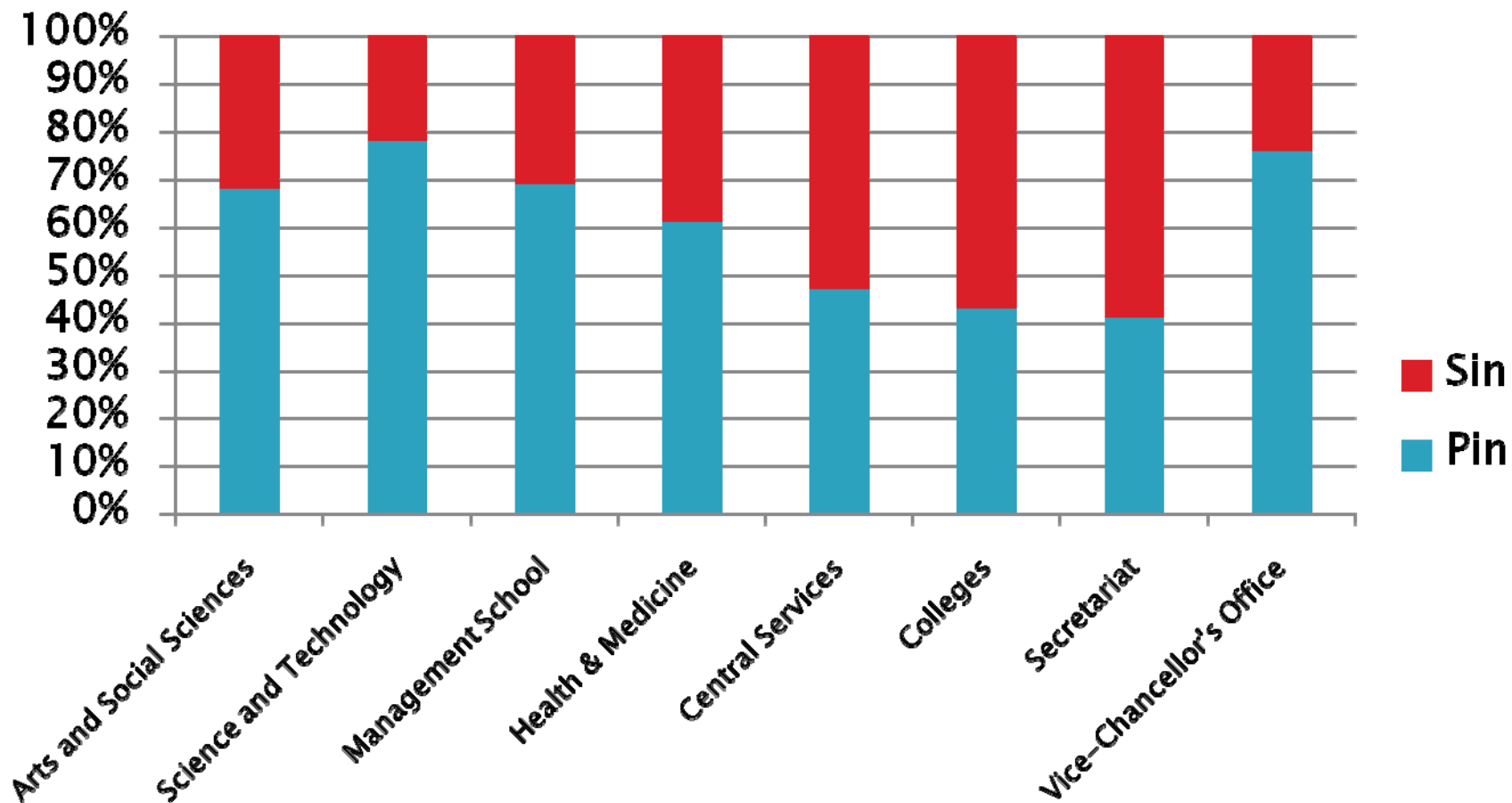
Income growth – last decade



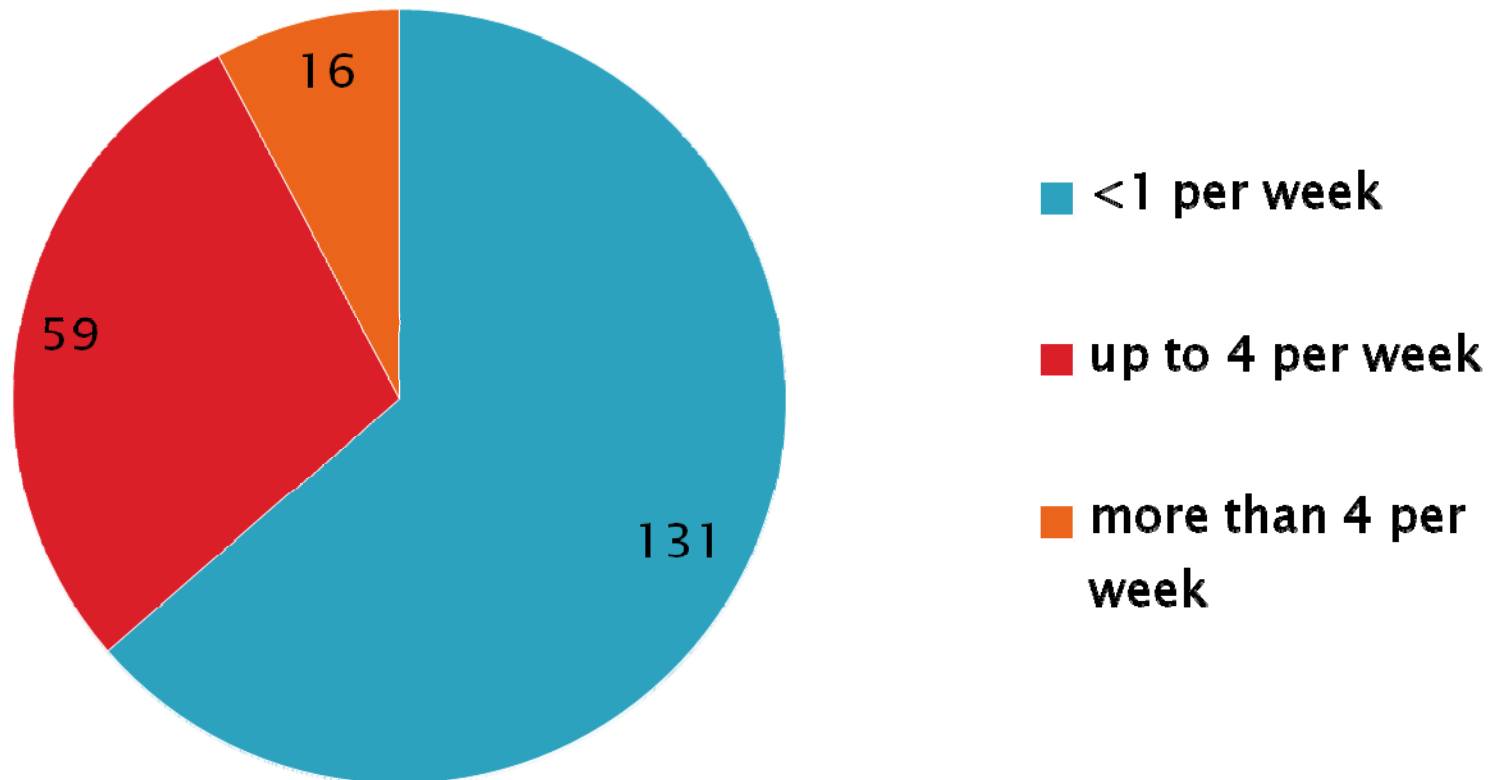
Annual Payroll Pressure



PINS & SINS %



Number of requisitions raised



Contract sums – Savings on Capital Programme

Sports Centre £2.5m

Management School £2m

LICA £2m

£6.5m

= 15% of expected budget




Contractors / sub-contractors In administration


Main contractor - Energy Centre

Sub-contractor - Management School

Speed and flexibility

- ▶ Expectations on project delivery/timetables
 - ▶ Frameworks (?)
 - ▶ External supply vs in house
 - Evaluation of internal capacity
 - ▶ Routine things should be routine
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Sustainability

- ▶ Life-cycle costs
 - ▶ Management systems
 - ▶ Supplier monitoring
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Suppliers 80/20

- ▶ Total spend with suppliers is £13.9m
 - ▶ 80% of the total spend is with 39 suppliers
 - ▶ Remaining 20% is spread over 61 suppliers
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