



North Eastern Universities
Purchasing Consortium

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a way that creates a strong sense of height and architectural complexity. The sky is a clear, pale blue. The image is partially obscured by a white, curved graphic element at the bottom.

2022 / 23
ANNUAL
REPORT

NORTH EASTERN UNIVERISTIES PURCHASING CONSORTIUM

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OUR VISION

"In partnership with members, deliver collaborative procurement support to enhance academic excellence, creativity and a sustainable business model."

IN THIS ANNUAL REPORT

- 3** *Chairs report*
- 4** *CEO report*
- 5** *Category highlights*
- 15** *CreditSafe*
- 16** *CIPS Update*
- 17** *NE5 Key Achievements*
- 18** *Accounts*
- 20** *Looking Ahead*
- 21** *Board of Directors*

WORKING TOGETHER FOR A MORE PROMISING FUTURE

Simon Newitt, Chief Finance Officer, Northumbria University

It is my pleasure to present to you, in my final term as Chair, the company's annual report for 2022-2023.

It has been another successful year for NEUPC, building on our achievements of previous years, and we should be extremely proud of these successes. Our member collaborative spend and benefits have continued to grow with spend increasing by £71.5m to £280m, an increase of 34% generating £5.5m and £9.5m cash and non-cash saving respectively. Overall and including UKUPC collaborative partners TUCO and TeC, our member spend increased to £383.5m creating £17.8m & £11.0m cash and non-cash benefits.

During the year, we successfully awarded six agreements worth £389m across our category groups. And, as we look ahead to the new year, we have a busy programme of eleven frameworks planned for award valued at £611m.

Financially, we are doing well, achieving a pre-tax surplus of £185k and increasing our reserves to £1.275m. For a second consecutive year, this includes returning a total of £130k, including VAT of member annual subscriptions, equating to a rebate of 57% to each of our university members.



Additionally, UKUPC members will receive supplier rebates to the value of £718k from NEUPC led agreements and NEUPC members £217K.

I would like to thank all the staff of NEUPC and my fellow board members for their commitment and the support they have given to me and the consortium. Particular thanks are due to Board members who have stepped down since the 2022-2023 year: Craig Jones, Jeremy Lindley, and Elizabeth Tidswell. I would also like to give a huge thank you to all the members and their representatives who constantly work with NEUPC to share ideas and to deliver projects which help to increase efficiencies, further savings, and deliver the best value.

PREPARING AND SUPPORTING MEMBERS TO OVERCOME OBSTACLES

Frank Rowell, CEO, NEUPC



Through our collaborative partnership with UKUPC, our members had access to a portfolio of 107 collaborative agreements. Usage of these agreements increased during the year increasing collaborative spend by 34 % on the previous year. Notable spend increases across the Estates category £18.5m, IT & Telecoms by £27m and STEMed by £4m.

For every £1 of membership fees, our members received an average benefit of £78, increasing to £139 when we returned 57% of members 22-23 annual subscriptions.

Due to our strong financial performance and despite record levels of inflation, our membership fees continue to be maintained and unchanged since 2016-2017. Despite a busy tender renewal programme, we retendered six agreements with an overall potential value of £389m.

- Cleaning & Janitorial Supplies £30m
- Minor Works NE5 £60m
- Mechanical & Electrical Services £30m
- Life Sciences £200m
- Cleaning Services Potential £14m
- Higher Education Networking Supply & Services (2) £55m

We also retained our CIPS accreditation to continue delivering CIPS professional qualifications, and during the year, four students studied CIPS level 4, and 5 apprentices studied level 4.

Our members are instrumental in identifying and shaping the agreements and the services NEUPC provides, and our accomplishments are down to their unequivocal support. I want to thank our members for their continued support and the NEUPC team for their hard work and dedication.

CATEGORY HIGHLIGHTS

This year our category groups have continued their efforts in awarding high-quality agreements suited to the needs of the HE and public sector, alongside providing forums for collaboration and discussion. During 2022/23, the following category group total spend was recorded.

CATEGORY GROUPS	TOTAL SPEND
Audio Visual	£16,987,011
Catering	£15,166,326
Estates	£37,759,790
Furniture	£12,343,949
IT & Telecoms	£98,934,836
Libraries	£24,070,405
Office Supplies	£3,149,528
Postal	£732,897
Professional Services	£5,784,015
Soft FM	£9,397,356
STEMed and Laboratories	£36,788,545
Travel	£18,824,768

AUDIO VISUAL

NEUPC members spend across the AV category has remained consistent at £17m compared to 2021/2022, representing 24% of the national spend approximately £60m across four consortia.

Category meeting frequency was increased, and a shared hub was set up to increase collaboration and knowledge transfer across NEUPC category group members. We look forward to the year ahead when the NEUPC Audio Visual agreement will commence being retendered within this busy and highly populated market.



E-PROCUREMENT

The eProcurement Group met twice in 22-23 and has agreed to increase the number of meetings to three or four in 23-24 as the range of subjects and agreements under discussion increases. The group continues to be chaired by the University of Huddersfield's Head of Procurement, Joe Byrne.

The eMarketplace to Facilitate Tailend Spend agreement had its first complete year in 22-23, and spend levels rose to £2.29m nationally. This came from 57 institutions utilising the agreement. Spend by NEUPC members reached £645k from 13 members and these figures are expected to increase further into 23-24.

A visit was made to the Amazon UK headquarters in London to meet with the Head of HE and the Head of the Public Sector, feeding back on performance to date and moving forward with discussions on HE carbon reporting under the framework.

The aggregated Tendering System agreement with Delta eSourcing was extended for a 2-year period, taking us to May 2025. An additional associate member has now joined the agreement, reducing costs for those committed by a further £190 each per annum. User groups are now in place facilitated by regional HE Consortia for One Advanced, Delta, Parabalis and Unit 4.



ESTATES

The Estates Category Group continues to be Chaired by Mark Hayter, Head of Procurement at Leeds Trinity University. The group met four times in 22-23, with one meeting being a hybrid approach, allowing members to meet in person for informal discussions.

Spend levels, though still not at the levels of pre-COVID, continue to grow, mainly due to the restart of capital programs across the membership. Overall spend on Estates frameworks has risen by £18.5m up to £37.8m in 22-23.

22-23, we awarded the first NEUPC-wide Mechanical & Electrical Services Framework. Significant market engagement was conducted pre-tender to ensure opportunities to support SMEs. This new framework continues the theme of supporting SMEs and local businesses by having four regions covering the NEUPC membership.

Looking forward, 23-24 will be a busy year for retenders, having Asbestos Consultancy, Asbestos Removal and Signs and Signage all being procured with National coverage for the whole HE sector. The group has also approved work on establishing a specialist Building Refurbishment framework reflecting the anticipated trend of refurbishing buildings instead of new builds on campus.

NEUPC has also agreed to fund training for members on NEC and JCT forms of contract in 23-24.



FURNITURE

NEUPC members spend under this category, across the relevant frameworks has continued to grow, increasing by 68% in comparison to 2021/2022 to £21m for 2022/2023, and representing 32% of the national spend.

The highest proportion of this growth has been through the Sustainable Furniture Solutions Framework.

The Circular Economy Furniture eMarketplace was not launched during 2022/2023 as anticipated; this will continue to be worked on into 2024, as well as improving other sustainable solutions from Suppliers.

We look forward to renewing the Floor Coverings Framework in 2024.

IT & TELECOMS

This Category has seen a busy and productive 12-month period. The main work focus within the contracting activity was successfully formulating and delivering the new Networking equipment and services framework (HENS2). The Framework was let via the PCR2015 restricted procedure and required significant effort to refresh, evaluate and award.

NEUPC IT tendering activity moved onto the Data Centre Equipment and Infrastructure framework strategy formulation and ITT development and finalisation, with the tender being issued to the market in August 2023.

The NEUPC IT Category lead has been directly involved with several wider HE projects this year, including SSSNA, NDNA, HR/Payroll and Finance Systems, Student Information Systems and Alumni CRM, plus input to the ITRAP and SLRA early strategy discussions.

Regarding group engagement, three Category group meetings and numerous National IT meetings were held during the year, with several topics covered, including regular dialogue on Institution Contracting plans and service issues, Hybrid working, the new Procurement Regulations, and future changes within Education & Technology.

LABORATORY

NEUPC delivered the Life Sciences Equipment, Materials and Services Framework agreement, which amalgamated three disparate Frameworks into one single Framework, enabling members to purchase Equipment, Materials and Services from one source. This Framework has been well received by members and suppliers alike, as it has increased supplier visibility and allowed them to showcase their full offering whilst offering members a simplified route to the market.

NEUPC took a facilitative role in delivering the High-Value Lab Equipment Framework, which has been well received and heavily utilised since the award. We have also taken an active role in the national UKUPC STEMEd Group to establish key areas of the national procurement strategy for the next three years. NEUPC have committed resources to support the tendering, evaluation, and award of three Frameworks during the period ahead, including IRLA Lab Consumables, General Lab Equipment and Electronic Components.



OFFICE SUPPLIES

The Promotional Merchandise and Print Solutions Frameworks have both been awarded during this reporting period, with NEUPC contributing to the evaluation and tender working party.

Two Category Group meetings were held, with several topics covered, including customer service issues, contracting plans, and current frameworks performance and spend.

The Category lead and group members continue to input into the Office Supplies framework reviews actively and supplier performance review meetings, with Category group attendance also seen to be steadily increasing. The group is expected to be heavily involved with the main Office Supplies retender when called upon to do so.

PROFESSIONAL SERVICES

The Professional Services Category Group will continue to meet bi-annually in 2023. The most recent meeting saw several discussions regarding potential Frameworks to work on in 2024, given changes in the market in several service areas, such as student payment platforms and investment services. We will continue these discussions with a view to engaging with both members and the market to understand the viability of these agreements.

Regarding Framework agreements, several re-tendering projects are coming to an end and are due to be awarded in 2024: Courier Services, Temporary Recruitment Services, Financial Services and Occupational Health. NEUPC have been involved in these projects alongside other UKUPC members.

TRAVEL

The National Travel Framework re-tender has been completed and will go live in 2024. This will allow members to test the market across a range of suppliers offering services to students and staff for their travel requirements and group tours. NEUPC has played an active role in this group and has encouraged input and feedback via their own NEUPC travel category group.

The NEUPC Travel Category Group meeting has continued quarterly and has seen a large attendance among members. We have collated a range of information regarding rate caps for travel allowances, particularly accommodation, which routes to market are utilised, and where members are on their own travel contract journey. This sharing of experience has proven invaluable as members have been able to discuss any challenges they have faced, and many positives encountered as a group. They have also shared engagement techniques with their colleagues when implementing new contracts for travel.



CREDITSAFE

CreditSafe continues to provide credit checking services to our members, enabling proactive monitoring of all framework suppliers. This helps reduce the need for manual monitoring by members and ensures that suppliers are actively and effectively managed in line with their financial profile. We liaise with CreditSafe regularly to ensure that our portfolio of products fully meets our members' requirements, providing them with access to the latest and most detailed information on suppliers.

The contract is available to all English UKUPC consortia and offers a wide range of standard reports at a highly discounted rate. We proactively assess the usage levels of each type of report and build resilience into the contract each year to ensure that our members receive the best value for their money. We also provide reports to all consortia so they can monitor the usage profile of each of their members and keep increases in charges to a minimum.

In addition to these benefits to our members, NEUPC has negotiated additional paid-for functionality options at a discount of up to 50% in some cases to ensure that the contract represents significant savings compared to a direct contract agreement for each institution.



CIPS UPDATE

NEUPC continues to support the development of Procurement talent within the sector through our CIPS and apprenticeship programmes. Our study sessions were delivered via a mixture of in-person workshops and webinars for the CIPS level 4 qualifications.

We were required to undertake a CIPS annual remote audit, which we passed with a concluding comment from the auditor advising that the centre had provided some good evidence which was well-referenced. Leeds City College conducted a tutor observation and concluded, "The tutor worked restoratively and is skilful at building rapport and positive relationships, which engaged the learners with positive learning behaviours. All the learners were engaged throughout the session visit, and the tutor had excellent subject knowledge, which was eloquently delivered to the learners."

A survey was sent to members, and all members agreed that their CIPS learners were developing their skills to support university needs and objectives. Students were also surveyed covering inductions, tutor knowledge, tutors' ability to contextualise learning to real-world scenarios, webinars and workshops. All of which were rated as good by all students.

The NEUPC procurement team continue to hold CIPS corporate ethics accreditation for another year.



KEY ACHIEVEMENTS



The NE5 suite of Estates frameworks is going from strength to strength, with institutional spending seeing a resurgence over the last 12 months.

The two-year contracting work plan agreed upon in the summer of 2022 saw the Major Construction Works, Construction Professional Services, and Telephone and Data Cabling Frameworks extend into their final periods. This paved the way for consultation to commence on several new solutions, making for a busy end to 2023.

Based on historic NE5 spend on Mechanical and Electrical Services, in addition to consultation with our wider members, a new Regional M&E Services framework was awarded in May 2023 and services have already been successfully called-off by some NE5 members.

Although just outside of the 22/23 period, a new Medium Works Framework (for schemes £1m to £4.1m) was awarded, which resulted in two new local SMEs being appointed as well as four other companies, all with extensive construction and project management experience across the North-East.



DIRECTORS STATEMENT

These accounts are not the company's full statutory accounts. The Income and Expenditure Account and Balance Sheet on pages 17 and 18 are extracted from the full statutory accounts approved by the Directors on 24 November 2023 and on which the auditors have given an unqualified opinion.

The statutory accounts, which should be consulted for a complete understanding of the company's financial affairs, will be submitted to the Registrar of Companies.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2023

	2023	2022
Turnover	£1,109,937	£1,142,983
Administrative expenses	£934,609	£976,647
Operating surplus	£175,328	£166,336
Interest receivable	£9,543	£2,321
Surplus on ordinary activities before taxation	£184,871	£168,657
Tax on surplus on ordinary activities	£39,495	£21,964
Surplus for the Financial Year	£145,376	£146,693

BALANCE SHEET AS AT JULY 2023

	2023	2022
Fixed assets		
Tangible assets	£10,125	£7,208
Current assets		
Debtors	£791,576	£609,041
Cash in bank	£686,536	£762,321
Creditors - Amounts falling due within one year	£211,920	£341,056
Net Current assets	£1,266,192	£1,111,306
Total assets less liabilities	£1,276,317	£1,118,514
Provision for liabilities - deferred taxation	£673	£11,754
Capital and Reserves	£1,275,644	£1,130,268



LOOKING AHEAD

In the year, we will tender 7 Procurements valued at a potential spend of £391m. Additionally, the NE5 will tender four procurements with a potential spend of £220m. Included with these procurements are Minor Works under £1m, Renewable Energy Solutions and Heritage and Listed Buildings Framework and, a reimagined framework for Project Management and Conservation Professional Services is in the works. These initiatives aim to enhance further our offerings and commitment to sustainable solutions and historic preservation. Stay tuned for more updates on these exciting developments.

In the early part of the year, we will launch a new website. The primary goal is to enhance our members' experience by making information easily accessible and serving as a hub of information.

We are committed to advancing Responsible Procurement activities and supporting the implementation of the UKUPC Responsible Procurement Strategy. We continued our membership of Electronics Watch for a second year, and through the NEUPC membership, our members automatically became Electronic Watch Affiliate members. In addition to the benefits of being members of Electronics Watch, we have increased supplier participation in the UN SG Code of Conduct and enhanced benefits from the Net Positives Supplier Tool.

Finally, in 2024, we are thrilled to offer our members the chance to engage in in-person learning and development activities. This will provide us with the opportunity to connect with one another, enhance our skills and knowledge, and broaden our professional networks.



NEUPC FULL MEMBERS

- Bishop Grosseteste University
- Durham University
- Leeds Art University
- Leeds Beckett University
- Leeds Trinity University
- Loughborough University
- Newcastle University
- Northumbria University
- Nottingham Trent University
- Sheffield Hallam University
- Teesside University
- University of Birmingham
- University of Bradford
- University of Derby
- University of Huddersfield
- University of Hull
- University of Leeds
- University of Leicester
- University of Lincoln
- University of Sheffield
- University of Sunderland
- University of York
- York St John University

NEUPC BOARD OF DIRECTORS 2022/2023

T P Brannon

Director of Procurement

University of Leeds

F Rowell

CEO

NEUPC

P Revell

Head of Commercial Strategy

York St John University - appointed

17/11/23

A BeswickAssociate Director of Information
Services

University of Bradford - appointed 8/1/24

M I Garfield

Director of Estates and Facilities

Newcastle University

Ryan Keyworth

Chief Finance Officer

Sheffield Hallam University - appointed
24/1/24**S J Newitt - Chair**

Chief Finance Officer

Northumbria University

C P Jones

Director of Finance

University of Derby - resigned 2/10/23

J K Trotter

Director of Procurement and Projects

University of Leicester

E R Tidswell

Head of Procurement

University of Sheffield - resigned 1/11/23

J C Lindley

Director of Finance

University of York resigned 30/10/23

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FOR MORE INFORMATION

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