

UKUPC Festive Campaign



Day 5: The Real Value of Using UKUPC Frameworks

As a UKUPC partner, NWUPC Ltd Membership brings about a range of added value benefits including responsible procurement activities, training opportunities and access to expert procurement advice to name but a few. What makes us stand out, and our strategic aim for us to really show our value, are the significant cash savings we deliver each year to our members through our framework agreements.



Accurate, consistent reporting of savings is increasingly beneficial across the HE sector as it seeks to demonstrate the clear value that is being obtained from professional procurement activity. There are several ways that savings from procurement can be obtained, and as the influence of procurement in the sector increases, there is a trend towards reporting 'Delivered' savings that have a direct impact on the bottom line. Through a single methodology UKUPC have developed a savings and benefits process calculated on a realistic and prudent basis. This is evidenced with a clear audit trail to support decisions and assumptions.

UKUPC have developed 4 stages to the benefits process;

1. **Target** - Market analysis
2. **Forecast** – Expected benefits
3. **Secured** - Agreed
4. **Delivered** - Actual

By working together as UKUPC through the agreed sector wide methodology on our frameworks we can provide supporting data for each agreement. UKUPC have expertise in UK public procurement law and all tenders are conducted within the regulations governing public sector bodies. We follow a rigorous process that provides a robust audit trail with established Terms and Conditions for each framework, all of which have been agreed by suppliers.

Framework agreements support longer term business planning, allowing some stability from market fluctuations and the development of longer term commercial relationships with suppliers. More advantageous pricing can be made based on aggregated spend which delivers cash savings back to our members.

Robust contract management ensures close relationship management with suppliers, monitoring performance against set KPI's all aiming to create more value for money on each framework and assessing suppliers financial stability to reduce risk to members.

During the frameworks lifetime savings made will be reported in the consortia's Annual Benefits Statements using various BT Saving models;

Most commonly, these benefits will be reported under 3 types of benefit savings (BT):

- **BT1 – Direct Price Based Savings** – This is the baseline for reporting cash based savings that are actually delivered to the member.
- **BT2 – Price Versus Market Savings** - Identified non-cash savings through the framework that would be lost if the procurement process had not been conducted.
- **BT3 – Process Savings from Use of Collaborative Arrangements** – Any non-cash saving that is derived from the use of collaborative agreements. This saving is designed to reflect the avoidance of having to do a full tender exercise at the time of the renewal of an existing arrangement or the creation of a new one.

Using the framework is key to ensure that the contract actually delivers the anticipated savings and benefits and your consortia category managers are always available to help. Use our [Meet The Team](#) page to find the relevant category manager to discuss any questions or queries you may have.

UKUPC - how effective procurement gives back to our Members

[Day 1: Achieving a Sustainable Energy Future](#)

[Day 2: Equality, Diversity and Inclusivity in Procurement](#)

[Day 3: The Road to Sustainability in the Food Industry](#)

[Day 4: Supporting the needs of our members through collaborative procurement](#)

[Day 5: The Real Value of Using UKUPC Frameworks](#)