

Driving out cost and efficiency savings with Government Procurement Card

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OGCbuying.solutions

- Executive Agency of the Office of Government Commerce in the Treasury
- Procurement Service to the public sector to deliver improved value for money - "Savings for the Nation"
- Advise on technical issues, energy saving and environmental improvements
- Framework Agreements – Catalist brand and Managed Services
- Catalist – IT, Consultancy, Business and Facilities solutions plus Payment Cards
- Managed Services – Telecoms, GSi, eProcurement, Travel and Energy

Government Procurement Card [GPC]

- GPC Framework covers Purchasing & T&S cards – until January 2010
- Central role in helping public sector achieve efficiency savings
- £28 savings figure – equates to £1.3m in 2007
- Spend approx. £1bn pa – 1000+ Organisations -117k+ cards

Government Procurement Card [GPC]

- Fully endorsed by NAO and HMT
- Contributes to a range of Government policies on efficiency, modernisation, sustainability and e commerce
- Framework available to all public sector – Central & Civil Government, Local Authorities, Emergency Services, Health, Higher & Further Education, Schools
- Government Merchant Acquiring Framework

Purchasing Cards and Local Authorities

- Initial National Procurement Strategy – by 2005 - for low value purchases every council should be making appropriate use of a procurement card or a suitable electronic alternative
- Recent RCE survey showed only 121 [of 268 respondents = 45%] had begun implementing a P Card scheme
- National Procurement Strategy for Local Government – Final Report (April 2008) – 51% of councils using a procurement card
- Local Government Purchasing Card Solutions Project – by March 2010 aims to reduce invoice volumes by 20% - 2.16m invoices - £60.48m

Benefits of GPC

- No card or transaction fees
- Replace inefficient traditional procurement
- Produce valuable management information on spend
- Reduce paper – more environmentally friendly
- Promote greater financial visibility and accountability
- Enables Organisations to redeploy staff to more valuable tasks
- Empowers employees giving accountability and responsibility
- Meets Government prompt payment agenda – suppliers are paid typically within 2-4 working days
- Tried and tested Visa solution accepted globally

GPC usage

- Can be used for low value purchasing and/or travel related spend
- Face to face/over the counter/card present transactions
- Card not present transactions – internet web sites/phone
- Lodged card with suppliers
- Embedded within eP2P applications
- Lodge Card with Business Travel Agents

GPC Usage

- Stationery, print, office and IT consumables
- Travel & subsistence
- Couriers & taxis
- Catering
- Temps and agency staff
- Training courses and Conferences
- Buildings supplies, repairs and maintenance
- Newspapers, books, periodicals, subscriptions, memberships
- Office – flowers, plants, catering
- Domiciliary care

Key issues

- Clear direction of what GPC programme is to achieve
- Card spend interface with GL
- Visa card capability and recruitment of suppliers to card acceptance
- Upgrade of suppliers to Summary VAT/Line Item Detail (VGIS) capability
- Fear of fraud
- Perception of loss of control, maverick spend

GPC Card Issuing Banks

- Barclaycard Business
- LloydsTSB
- The Co-operative Bank
- Royal Bank of Scotland
- NatWest
- Ulster Bank

Happy to take your questions

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