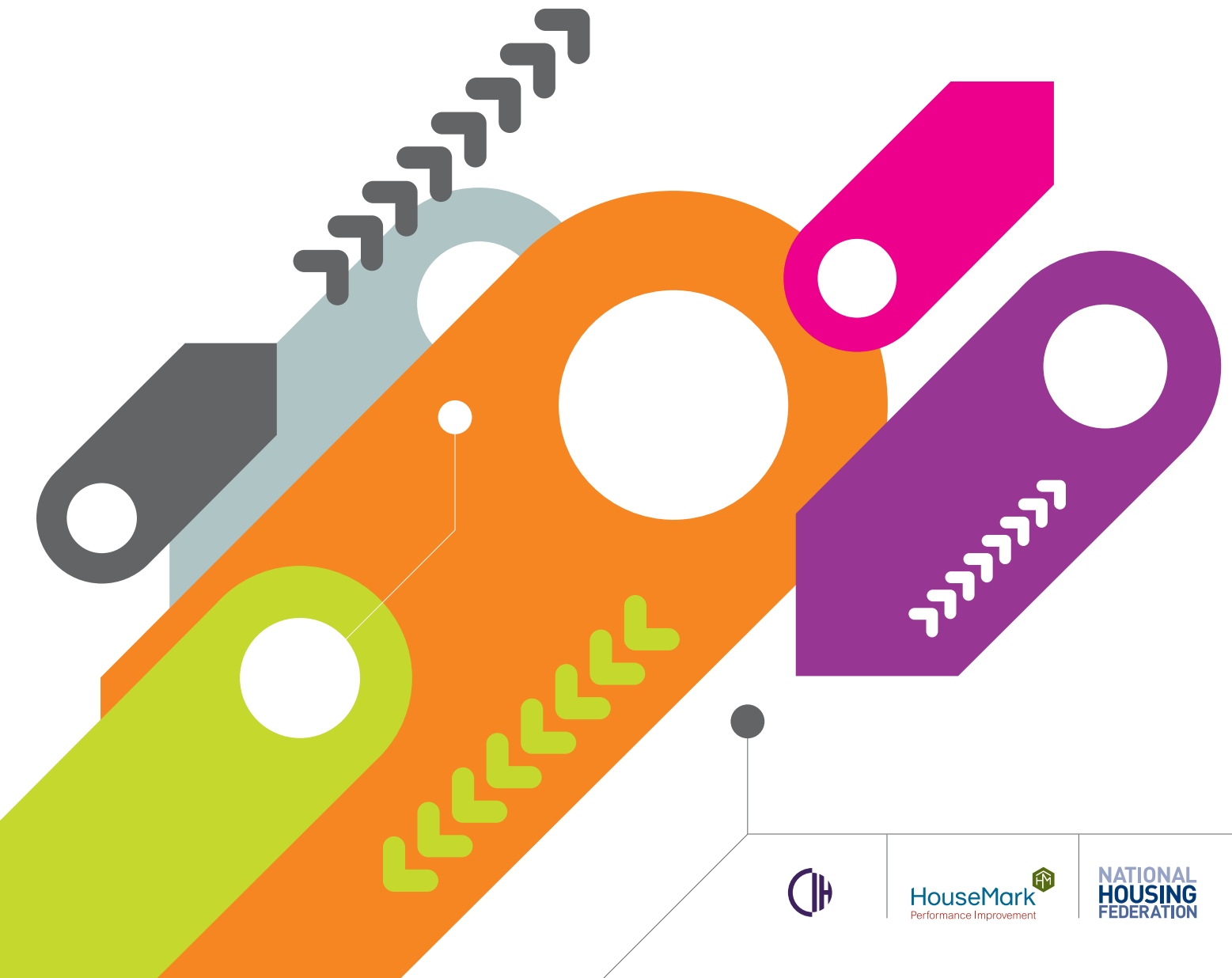


PfH Marketplace

Delivering more for less through e-procurement



Delivering more for less through e-procurement



Faced with government spending cuts, there is greater pressure on Registered Providers to deliver more with less. This agenda presents complex challenges for social housing procurement. Significant tensions are emerging between cost reductive efficiency gains, the ability to achieve long-term best value and the need to deliver savings - at a time when social landlords are committed to the creation of genuinely sustainable communities.

Making cuts that result in poorer quality services and outcomes for tenants will fail to deliver value for money. Any change to services should result in a net improvement in outcomes for tenants. Ultimately, efficiency saving is not about cutting front-line services, but about driving efficiencies throughout the back office. Enabling better buying, reducing paper bureaucracy and greater collaboration all create savings. With the current government agenda on savings and the drive for public sector to collaborate to quickly tackle waste and improve accountability, PfH is delighted to join forces with ProcServe, the only government endorsed public sector e-procurement solution, to launch the PfH Marketplace.

The availability of the PfH Marketplace could not be timelier. It will specifically help social housing organisations to reduce the price paid for goods and services by providing them with easy access to pre-loaded PfH framework agreements, provide simple connectivity to suppliers and deliver eInvoicing capabilities.

The report describes potential savings of £100 per home


The solution will help these housing providers streamline their procurement process, enable the accurate tracking of spend and deliver efficiency savings, and hence, help meet the coalition's savings targets.


An investment in e-procurement provides an effective means to cut costs both in the short-term, by slowing down or redirecting spend, and in the long-term, by improving compliance to strategic sourcing agreements.


How to access savings


It's easy to get started today


It has never been more vital to maximise value from your procurement decisions.


- 1 Log in to PfH Marketplace 


- 2 Go to Catalogue shopping function 


- 3 Search items to add to Shopping Basket 

- 4 Go to Shopping Basket, finalise order and create requisition 

- 5 Enter invoicing details 

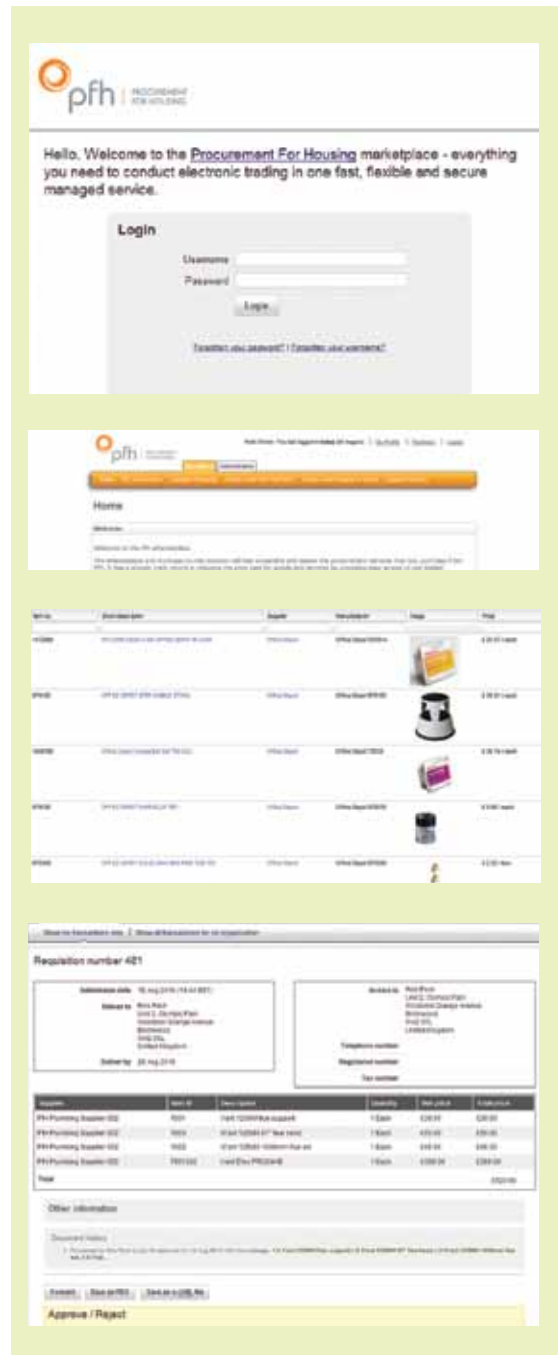
- 5a Submit order into approval process 

- 5b Order is either approved or declined 

- 6 Order is created and sent to supplier 


The PfH Marketplace will enable every supplier organisation to become e-enabled very quickly and for Registered Providers to have access to supplier managed catalogues.

Effectively, this will allow Members to buy collaboratively from centrally provided commodity deals leading to significant efficiency savings," Paul Kennedy, Chief Executive of PfH's managing contractor, CEL Group.



The screenshots illustrate the user journey on the PfH Marketplace. The first image shows the login page with fields for Username and Password. The second image shows a product catalogue with columns for Item, Description, Status, and Price. The third image shows a requisition summary for requisition number 421, including submission date, supplier details, and a table of items.

Item	Description	Status	Quantity	Unit Price	Extension
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-  To find out how the PfH Marketplace can work for you and to trial the system for free through online webinars, contact the PfH team by emailing pfhsupport@procurementforhousing.co.uk or call 0845 864 5299.

The PfH Marketplace



The PfH Marketplace will enable you to automate and gain more control over how you procure goods and services going forward:

- ▶ **eProcurement, P2P and eInvoicing** - we provide modules for you to manage your procurement processes including the requisition cycle, goods receipting, electronic invoicing, payments and contract management.
- ▶ **Catalogue Management** – for Registered Providers and their suppliers to manage, publish and search for catalogue and content information.
- ▶ **Trading Management** – exchange and manage a variety of electronic procurement documents with your suppliers including Request for Quote, Purchase Orders, Invoices, Advance Shipping Notices, etc.
- ▶ **Management Information** – includes pre-built and custom reports in an easy to use interface to provide your purchasing teams with insightful data on spending patterns enabling more effective decision making.

Key benefits:

- ▶ **Reduce your costs** – you do not need to spend time installing or maintaining servers, networking equipment, security or other infrastructure hardware and software necessary to ensure a scalable and reliable service. Example of e-procurement savings include:
 - Savings of £3million per annum for removal of invoicing scanning solution, whilst improving the overall quality of activities and services.
 - Reduction of the cost of capital employed via the reduction of physical stock holdings from around 11 weeks down to 8 weeks.
- ▶ **Compliance** – the PfH Marketplace is designed to be easy to use and intuitive. The solution contains many tools and features recognisable to users of popular websites such as Amazon.com, eBay and Yahoo, and has a more familiar interface than typical purchasing applications. Research by the Aberdeen Group identifies the benefits as:
 - Reduced requisition-to-order cycles by 66%.
 - Reduced requisition-to-order costs by 58%.
- ▶ **Strategic sourcing** – OGC statistics highlight only 12% of local government use approved collaborative deals, significantly below the recommended 50%. Our solution directs you to PfH suppliers maximising savings and eliminating maverick spend. The research undertaken by the Aberdeen Group advocates the benefits of:
 - Reduced off-contract spending by 64%.
 - Increased total spend under management of procurement group by 20%.
 - Reduced prices by 7.3% for spend brought back onto contract.

(E)fficient procurement in practice



“ Alternative Future Group (AFG) is the first Member to have gone live with the use of the PfH Marketplace. AFG provides support, care and accommodation for people with learning disabilities and mental health challenges; working in partnership with the health and social care sector, local communities and families to design and deliver services that enable people to achieve their potential. ”

Phil Gardner, Head of Procurement, at AFG shared his thoughts on the benefits of the PfH Marketplace.

Why did you choose to use the PfH Marketplace?

The PfH Marketplace provides a full supply chain system accessible through a low price point. We now have the ability to access online catalogues with suppliers, create freetext requisitions to route to approvers, create our own catalogues, such as buying paper from an internal stock for a specific photocopier, receive electronic invoices that can be uploaded into our finance system and generate online RFQs.

What benefits do you anticipate the PfH Marketplace bring to AFG?

The PfH Marketplace brings compliance to all of AFG's existing contracts. The PfH Marketplace makes procurement transparent to external audit and scrutiny. We now have real time information on purchases, receipts and invoices, compliance to our Scheme of Delegation and appropriate technical and financial approvals in place. Additionally, the PfH Marketplace frees up staff time to focus on delivering front-line services.

What savings do you expect to make annually?

At present the actual figures are unknown. Savings are important to us, but as a registered charity we need to consider that all our processes are optimised and that our stated rules are being followed closely. That said we anticipate savings in excess of £10,000 over this financial year.

(E)fficient procurement in practice continued



How do you plan to reinvest your procurement cost savings?

The savings made will go towards our corporate savings programme which is part of a wider operational review that looks at generating efficiencies across all aspects of the business.

How will your residents and their neighborhoods benefit from this investment?

We source many of our products from specialised suppliers who provide products suited to our service users. By making it easier to buy from these suppliers, we can ensure that more service users get the products best suited to them.

What strategies are you employing to ensure adoption of the PfH Marketplace across AFG?

We are adding a training component to all staff inductions. The training will be focused around understanding what corporate contracts we have in place and how staff can utilise the PfH Marketplace to order goods and services. We will be amending all of our corporate procurement strategies and policies to ensure that the PfH Marketplace is fully embedded in the culture of the organisation.

What would you say to other organisations interested in investing in the PfH Marketplace?

I have been involved in e-procurement implementations for over seven years; however, the cost/benefit calculation has always been on the edge of being acceptable. What I see here with the PfH Marketplace is a solution which is an extremely low cost but offers high functionality. When I saw the price of the PfH Marketplace we signed up immediately – it was a win-win solution.

About PfH



PfH is the only national procurement organisation dedicated to the needs of the social housing sector. Sponsored by the CIH, NHF and HouseMark, PfH is an essential business tool for social landlords. The consortium generates substantial savings by harnessing the collective purchasing power of over 720 housing organisations. By reducing procurement costs and generating process efficiencies, organisations can reinvest resources back into communities. For more information, please visit www.procurementforhousing.co.uk.

About ProcServe

ProcServe provides fast, flexible and secure electronic marketplaces and trading connectivity solutions. ProcServe's hosted, custom-branded solutions provide customers with the unique ability to leverage a software-as-a-service solution and maintain their own uniquely branded and configured marketplace. Customers enjoy a faster solution set up, lower cost of maintenance, and a secure environment. ProcServe is part of the Oracle Partner Network. ProcServe delivers Zanzibar, OPEN and xchangewales eMarketplaces on behalf of the UK Public Sector. For more information, please visit www.procservice.com.



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