



National Audit Office

A review of collaborative procurement across the public sector

Supplier survey – key results

MAY 2010

We used contact details for 92 major suppliers to government provided by the Confederation of British Industry, Intellect and the Office of Government Commerce to email a survey to each supplier. We received replies in Summer 2009 from 33 suppliers, a response rate of 36 per cent. **Figure 1** provides a breakdown of respondents by category of good or service.

Figure 1
Survey of suppliers to the public sector – breakdown of respondents by category

Category	Number of responses
Information and Communications Technology	8
Travel	7
Professional Services	5
Energy	4
Fleet	4
Construction	2
Office Solutions	2
Food	1
Total	33

The survey questions covered two areas:

- The extent of duplication of tendering activity across the public sector. For example, the number of Official Journal of the European Union (OJEU) tendering exercises undertaken by suppliers that could have been avoided by using existing framework agreements.
- The costs to suppliers of tendering activity.

The survey consisted of 17 questions and the following tables provide a summary of the key results.

Results tables

Q How many framework agreements (designed for use by more than one public body) let by public sector organisations in England is your organisation currently a supplier on (including those let by professional buying organisations)?

Range	Number of suppliers	Percentage
1 to 2	4	12
3 to 5	9	27
6 to 10	15	46
11 to 20	2	6
More than 20	3	9
Total	33	100

Q In your opinion, do any of these framework agreements cover the same or very similar services?

	Number of suppliers	Percentage
Yes	27	82
No	6	18
Don't know	0	0
Total	33	100

Q Please estimate the percentage of these framework agreements that cover the same or very similar services?¹

Range	Number of suppliers	Percentage
0% to 20%	3	11
21% to 40%	4	15
41% to 60%	5	19
61% to 80%	6	22
81% to 100%	9	33
Total	27	100

NOTE

¹ This question was directed at the 27 organisations answering yes to previous question.

Q How many OJEU tendering exercises run by public sector organisations in England did your organisation compete for in 2008-09?

Range	Number of suppliers	Percentage
1 to 10	10	31
11 to 20	5	15
21 to 50	9	27
51 to 100	4	12
More than 100	5	15
Total	33	100

Q In your opinion, could any of these OJEU tendering exercises have been covered by existing framework agreements (thus avoiding having to undertake a full OJEU process)?

	Number of suppliers	Percentage
Yes	28	85
No	2	6
Don't know	3	9
Total	33	100

Q Please estimate the percentage of these OJEU tendering exercises that could have been covered by existing framework agreements?¹

Range	Number of suppliers	Percentage
0% to 20%	0	0
21% to 40%	7	25
41% to 60%	9	32
61% to 80%	4	14
81% to 100%	8	29
Total	28	100

NOTE

1 This question was directed at the 28 organisations answering yes to previous question.

Q How much, on average, do you estimate it costs your organisation to respond to a tender for a contract above the OJEU threshold for a commonly used commodity (e.g. IT hardware, stationery)?¹

Range	Number of suppliers	Percentage
£0 to £20,000	5	50
£20,001 to £50,000	3	30
£50,001 to £100,000	2	20
Total	10	100

NOTE

¹ This question was directed at the 10 organisations that stated they estimated the cost of undertaking a full OJEU tendering exercise.

Q If public sector procurement was more coordinated would it:

a Reduce the costs to your organisation?

	Number of suppliers	Percentage
Yes	24	73
No	4	12
Don't know	2	6
Commercially sensitive	3	9
Total	33	100

b Allow you to reduce your prices to the public sector?¹

	Number of suppliers	Percentage
Yes	14	59
No	2	8
Don't know	7	29
Commercially sensitive	1	4
Total	24	100

NOTE

¹ This question was directed at the 24 organisations that answered yes to previous part (a) to this question.

Q In general, does your organisation provide lower prices for contracts involving a greater volume of goods or services?

	Number of suppliers	Percentage
Always	7	21
Often	20	61
Rarely	2	6
Never	0	0
Don't know	0	0
Commercially sensitive	4	12
Total	33	100

Q In general, does your organisation provide lower prices for framework agreements that have a committed future volume compared with framework agreements with uncertain future volumes?

	Number of suppliers	Percentage
Always	15	45
Often	10	31
Rarely	2	6
Never	0	0
Don't know	2	6
Commercially sensitive	4	12
Total	33	100