



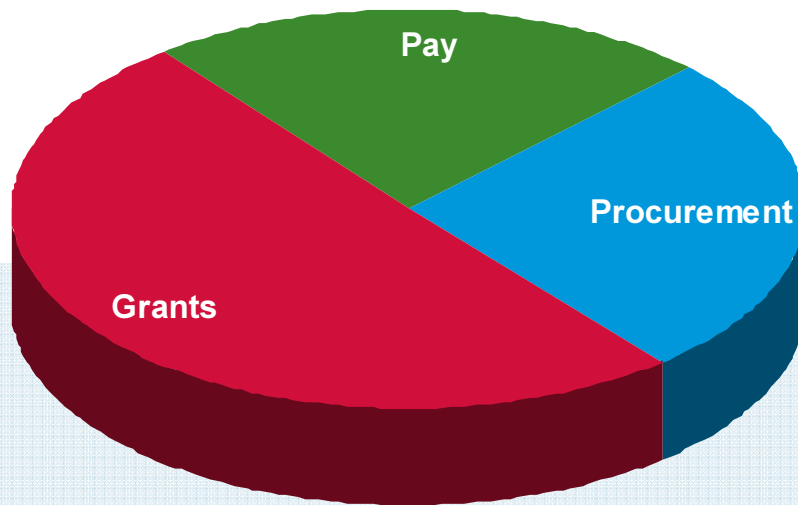
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LGA Improvement Board – 25th November 2008

The Government's CSR07 savings targets mean that public sector procurement is now centre stage

Procurement accounts for one in every four pounds of public expenditure



Public sector spends £660 bn / year* of which:

- £334 bn is grants outside the public sector to people and organisations
- £151 bn is pay
- £175 bn is procurement**
- 70% of all buying decisions take place outside Whitehall

•This figure includes receipts from goods and services to Central Govt

** PESA 2008 analysis, includes Local and Central Government, but excludes Public Corporations

Delivering efficiencies has been a long-term goal of the Government – driving out savings through collaborative procurement is a key strand of the OEP

What is Collaborative Procurement about?

Our programme:

- Driving cashable savings in CSR07 and beyond through category strategies led by Category Sponsors - **£1.5 billion benefits delivered during SR04 and CSR07 (compound)**
- Improving our understanding of public sector procurement expenditure
- Strategically aligning the public sector procurement landscape to meet the future efficiency challenges
- Working with Professional Buying Organisations to provide value for money procurement solutions in CSR07

RIEPs have a key role in championing a clear and consistent approach to collaborative procurement