

A not-for-profit professional buying organisation  
owned by its Members for its Members

## Annual Report 2009 - 2010



# Results

| Our Results in Summary                                   | 2009-10        | 2008-09 |
|----------------------------------------------------------|----------------|---------|
| Consortium Expenditure                                   | <b>£132.0m</b> | £147.0m |
| Savings                                                  | <b>£25.4m</b>  | £26.3m  |
| No of Agreements                                         | <b>61</b>      | 49      |
| Average Return on Investment                             | <b>57:1</b>    | 57:1    |
| Members who would recommend LUPC to a fellow Institution |                | 92%     |



|                              |       |
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**Wendy Surrige**

Secretary and Registrar

London School of Hygiene and Tropical Medicine

## **It's my pleasure to present to you LUPC's Annual Report for 2009-10.**

The year was a one of great change for our consortium. Our 10 Point Plan has been successfully delivered, with five new Members joining us from neighbouring sectors, combining their expertise, prestige and purchasing power with ours. I would like to welcome them warmly to the consortium.

LUPC now engages with its Members far more effectively than before; our strap-line "owned by its Members, for its Members" has never rung more truly. But there is much more to do to ensure that the fruitful dialogue we have begun becomes sustained and really drives us.

Our new business model, developed in consultation with Members, has helped put LUPC on a firm financial footing, ready to forge ahead and meet the challenges that await us. Together with a programme of efficiencies including moving our central office, it has meant that we have been able to freeze our membership subscriptions for the second year in succession.

It has been a very busy year on the procurement front, too, with twelve totally new supply agreements open to our Members, and nine more renewed during the year, bringing our total to an unprecedented 61 agreements covering a broad range of essential goods and services.

We have invested in a modest expansion of the team, enabling us to break new ground with agreements such as our legal services framework and I look forward to more 'green field' opportunities for savings in the year ahead. It has certainly shown what investment in procurement capability can do.

I would like to put on record my sincere thanks to the Board, our Executive Committee, Commodity Groups and LUPC staff who have worked so hard during this period of important change. Our CEO, Andy Davies has led us into this new '10 Point' dawn incredibly well and we thank him for it. I would particularly like to thank Marcus McDonald of the Royal College of Music, who so ably deputised for me during my recent illness.

The test now facing our consortium and indeed all parts of the higher education procurement system is to support the academy during the coming period of fundamental change. The Government's proposals for university funding will challenge us to find more new ways to stretch our resources further, and I firmly believe that collaborative procurement will have a fundamental role to play.

Many commentators have said that those universities and colleges who can share functions, such as procurement, will be best placed to weather the times ahead. As a genuine shared service for over forty years, the spotlight is now firmly upon us to prove that professional, collaborative procurement can deliver. I strongly believe that our strengthened and improved consortium is now well placed to do just that.



**Andy Davies**

Director

London Universities Purchasing Consortium

These are times of monumental change for the public sector and for higher education in particular. LUPC is responding to this change, with a refreshed, more commercial outlook and a renewed determination to meet the needs of its Members in the procurement of goods and services.

As Members now truly determine our strategy and priorities, so the year has seen us move closer to our Members in our efforts to improve our value proposition still further in the challenging times that lie ahead.

### **Our Results**

Despite a very busy year awarding new supply agreements, growing the number of agreements open to Members from **49 to 61**, our total expenditure fell slightly during the year to **£132m** (08/09 £147m), owing largely to changes in the Membership. However, the Consortium maintained the general level of savings, delivering a total of **£25.4m** (08/09 £26.3m) and demonstrated LUPC's continuing value to its Members by sustaining an average return on Membership subscriptions at **57:1** (08/09 57:1).

With LUPC on a stronger commercial footing our financial security is now assured, having turned the deficit of the last two years into a healthy surplus, contributing **£195,000** to our previously depleted reserves.

Even discounting the net income generated by our hosting the hugely successful Conference on University Purchasing (COUP2009) at Royal Holloway College in September, the Consortium has been able to fund an expansion of the team, a freeze on Membership subscriptions and a vital replenishment of our reserves in preparation for what may be tougher times ahead. LUPC receives no direct government funding.

### **Our Corporate Strategy for 2009-10**

During the year, we implemented a 10 Point Plan for the Consortium, formulated with the input of our Chair, members of the LUPC Board, our Executive Committee, some of our Members and our central office staff. This set out our corporate strategy for 2009-10 and beyond.

The Plan was at the heart of everything we did because it is designed with only one thing in mind: **delivering even better value for our Members.**

# Director's Report

## LUPC's 10 Point Plan for 2009-10

### 1 | A New Growth Strategy

- Increase the value proposition for our Members through growth.
- Grow LUPC in three ways:
  - Grow savings through better use of the contracts and frameworks we already have
  - Expand the portfolio into new areas of spend
  - Attract new Members from neighbouring markets in the arts, sciences and Third sector to generate the revenue growth we need
- Retain HE as our core business and open doors to new areas that offer value, revenue growth and prestige.

### 2 | Review Our Business Model

- Review the Membership subscription model and alternative funding models
  - Benchmark with other consortia
  - Address Member recruitment and retention
  - Promote transparency for Members
  - Identify secondary and tertiary revenue opportunities
  - Reduce costs and increase ROI

### 3 | Launch a New Membership Class

- Rationalise arrangements for access fees and other non-Member contributions
  - Launch and market an official Associate Member class
  - Limit access to certain framework agreements
  - Offer as an intermediate step to full Membership

### 4 | Step-Up Member Engagement

- Address the issues presented by a growing, demanding Membership
  - Refresh our website and database
  - Increase the flow of punchy, newsy communication electronically
  - Focus on the end user and provide new channels for feedback
  - Establish Member sub-groups e.g., FE Colleges, museums & galleries
  - Run targeted Member events from 2010

### 5 | Prioritise Our Work Programme

- Develop a protocol for deciding what projects we do and when, involving the Executive Committee and Commodity Groups

- Identify projects best led by LUPC and those by Members and co-ordinate with ENPC and OGC
- Understand the benefits to Members of our activity in the wider public procurement scene
- Withdraw from low- or no-value activities

### 6 | Break into Professional Services

- Survey and understand Member needs in professional services e.g., estates services, banking, audit and occupational health
  - Research existing offerings elsewhere in public sector
  - Start with legal services
  - Recruit a new procurement professional to help deliver the expanded portfolio

### 7 | Deliver Even Better Value

- Improve data reporting for Members and suppliers using individual Savings and Take-Up Reports
  - Harness suppliers' marketing power to close the gap between potential and actual savings
  - Conduct a spend analysis across the Membership to identify opportunities in new commodity and service areas
  - Review our service offering and Member benefits

### 8 | Strive for Social Responsibility

- Develop a Sustainability Policy, Plan and Key Targets for the Consortium
  - Encourage all Members and suppliers to sign up to the Mayor's Green Procurement Code
  - Promote equality and diversity toolkits in our tender documentation

### 9 | Run a Successful Conference

- Make COUP 2009 bigger and better than ever before
  - Make it relevant, vibrant, value-creating and memorable
  - Manage the risks, but recognise our best marketing and revenue-generating opportunity in years

### 10 | Embrace Technology

- Advise our Members on eProcurement and Shared Services matters
  - Identify further investment potential in eTendering and contract management tools
  - Investigate 'Web 2.0' best practice for our Members
  - Run more eAuctions in 2009/10



## Our Progress

We feel very proud of the success we have had in implementing the Plan during the year.

## A New Growth Strategy

This year we welcomed four new full Members to LUPC from the capital's cultural scene, in line with our strategy for growth. British Film Institute, The British Library, Imperial War Museum and the Victoria & Albert Museum all joined during the period and have been enjoying the benefits of our competitive supply agreements.

We continue to seek further new Members to join our Consortium, while the higher education sector firmly remains our core focus. A number of not-for-profit organisations from the arts, sciences and Third sectors are actively considering the benefits of Membership.

## Business Model Review

Following the completion of our Business Model Review at the end of 2008-09, we implemented our new business model to good effect, thus enabling our supplier community to contribute to the operating costs of the Consortium.

This new secondary revenue stream now provides a vital supplement to Membership subscriptions, which remain our primary source of income, and allows us to freeze Membership subscriptions and fund the additional activities set out in the 10 Point Plan.

## Launch a New Membership Class

We now offer a formal Associate class of Membership to not-for-profit organisations who may be members of other consortia or who may operate in other parts of the public sector.

A total of 36 Associate Members now benefit from our highly competitive office supplies and insurance agreements in return for a contribution to our operating costs.

## Step-Up Member Engagement

We've always believed that the best way to engage with Members is by meeting and talking with them and we have continued that programme vigorously this past year.

During the year, we implemented a new policy to hold free launch events for every new LUPC-led supply agreement, to promote their benefits and bring together Members and suppliers to develop networks and establish new relationships. These are proving immensely popular with Members and suppliers in our community.

We modernised our democratic process by enabling our Members to vote electronically in the annual elections to LUPC Board and Executive Committee. A total of twelve candidates contested the elections last year, reflecting the renewed determination Members have shown to get

Kingston University



*"A total of 36 Associate Members now benefit from our highly competitive office supplies and insurance agreements in return for a contribution to our operating costs."*

involved in the Consortium.

We strengthened our links with other Membership organisations in higher education in order to raise awareness of our work and the value benefits of our supply agreements. These included the British Universities Finance Directors' Group (BUFDG), the Association of University Administrators (AUA) and the Association of University Directors of Estates (AUDE), among others. We also gave financial support to the Association of University Procurement Officers (AUPO).

## Prioritise Our Work Programme

LUPC is fully committed to a close strategic integration with our peer higher education purchasing consortia that make up the English National Purchasing Consortium (ENPC). We now boast a carefully co-ordinated joint contracting programme, making the most of our collective buying power and identifying new opportunities for collaboration at a national level.

Under the direction of LUPC's Executive Committee of procurement professionals elected democratically by the Membership, the number of supply agreements open to Members rose from 49 to 61, including new LUPC-led deals in notebooks and desktop PCs and temporary agency staff. During the year, Commodity and Service groups also worked hard to complete procurement processes so that new agreements in legal services, business travel services, library

periodicals, general library supplies and specialist arts were in place for the new academic year.

Further developments during the year in our portfolio of supply arrangements are detailed elsewhere in this Report.

## **Break into Professional Services**

In April, we strengthened our staff of senior procurement professionals to enable us to expand our portfolio in response to the needs of our Members. This enabled us to award an important new legal services agreement with 13 law firms divided into nine lots, including specialist practice areas in education and student matters and in medical law. This agreement is already saving Members an average 20% on legal costs.

We have now initiated a programme of background research as part of a project for the procurement of a range of soft and hard estates and facilities management services, directly in response to calls from our Members. We plan to launch the first phase of these during 2010-11.

## **Deliver Even Better Value**

We believe that quality procurement decisions are best supported by timely, high quality information.

During the year, we invested in improved processes for data gathering and analysis to enhance our work and support Members, particularly those in higher education, in the generation of efficiency management reports. All full Members now receive an annual statement of estimated savings generated by their expenditure through our supply agreements.

We have added free supplier credit rating reports for Members to our growing range of Members benefits, under an agreement with business information company Creditsafe. The information in Creditsafe UK reports is sourced directly from Companies House, The Registry Trust and The London & Edinburgh Gazette and is updated daily.

At the close of the year, we commenced discussions with a provider of spend analysis services with a view to developing an offering to Members in 2010-11.

## **Strive for Social Responsibility**

After achieving the bronze standard for our processes under the Mayor's Green Procurement Code, we set about implementing our Sustainability Policy and Strategy for the Consortium, covering both our internal operations and our programme of procurement.

In collaboration with our peer consortia in ENPC, we have both contributed to and benefited from the work of higher education's Sustainability Centre of Procurement Excellence. The Centre provides support to our Commodity and Service

Groups when determining specifications and award criteria for new supply agreements.

We are also aware of the impact our collective spend has on London's local economy, particularly with regard to small and medium-sized enterprises (SMEs). In establishing our new supply agreement for temporary agency staff, we worked with Supply London, an organisation funded by the Mayor that provides support to London SMEs in bidding for public contracts. At the conclusion of the exercise, four of the seven successful suppliers appointed were SMEs.

LUPC also continued to support the London Universities Environmental Group (LUEG) forum in which many of our Members actively participate.

## **Run a Successful Conference**

At the start of the year we hosted a hugely successful Conference on University Purchasing (COUP 2009) at Royal Holloway, University of London. Both the conference and exhibition were extremely well received and proved to be a commercial success for the Consortium. We look forward to participating in COUP2011, to be staged in Scotland and hosted by our colleagues at Advanced Procurement for Universities and Colleges (APUC).

## **Embrace Technology**

As the year closed, LUPC launched a bright, new website, with a number of new features enabling Members to access the information they need more easily. Initial feedback to the new website has been extremely positive.

We have also developed and improved our monthly eBulletin, which is now an established medium for communicating with Members and complements our ever-popular quarterly Newsletter.

We are advising Members who have opted to take up the offer of funding from the Higher Education Funding Council of England (HEFCE) to support eProcurement implementation and we are also contributing to the national Generic eMarketplace project co-ordinated by HEFCE.

## **Moving Forward**

In response to the growing financial pressures on the sector arising from both the Browne Review of higher education funding and the impact on all our Members of the Coalition Government's Comprehensive Spending Review 2010, we are currently engaged with our peer consortia in ENPC to determine a new, integrated strategy for HE procurement in England.

During 2010-11, we will be consulting with Members and others about the future, to ensure that the work of the Consortium is always attuned to the needs of its Members.



# Wider Perspective

Public sector procurement in the spotlight

Richmond Adult Community College



*"LUPC is part of the English National Purchasing Consortium, which, along with our partner consortia in Scotland, Wales and the Research Councils, has delivered a major programme of national procurement for universities and colleges during the year, yielding a wide range of new money-saving deals."*

Now, more than ever before, public sector procurement is in the spotlight and LUPC continues to play an important role on the wider national stage.

Since the General Election in May, the Coalition Government has declared its intention to use public procurement as an important tool in addressing the structural deficit in Government spending. This has underlined the importance of excellence and collaboration in the way public services spend money on goods and services.

As a collaborative professional buying organisation, LUPC's profile has grown, with increased exposure and a number of positive press articles in the media, which has supported the Consortium's drive to attract new Members from our neighbouring arts, sciences and cultural sectors.

Collaboration at a national level in higher education has taken on a new lease of life this year. LUPC is part of the English National Purchasing Consortium, which, along with our partner consortia in Scotland, Wales and the Research Councils, has delivered a major programme of national procurement for universities and colleges during the year, yielding a wide range of new money-saving deals.

## **New national framework agreements in 2009-10 include:**

- Airmail Services
- Cash and Valuables in Transit
- Childcare Vouchers
- Fine Chemicals
- General Library Supplies
- Hand Dryers
- ICT Furniture
- Mass Spectrometry & Chromotography Equipment
- Microscopes and Imaging
- Notebooks and Desktop PCs
- Radio Chemicals
- Signs and Signage
- SMS Messaging
- Telecommunication Transmission Services

LUPC also continues to lead national framework agreements for desktop PCs and notebooks, office supplies, computer consumables, general library supplies and laboratory gases for the higher education sector.

# Marketing & Communications

LUPC was fortunate enough to be shortlisted in the Outstanding Procurement Team category of the Times Higher Education Leadership & Management Awards 2010. This was a great opportunity to showcase the achievements of procurement in the higher education sector. Our congratulations went to our colleagues at the University of Plymouth who won this year's prize.



Goldsmiths College

## Our New Website

LUPC launched its brand new website in September 2010 after months of development and feedback to date has been very positive from both Members and suppliers. All the essential facts, figures and information are now presented in an easy-to-access and dynamic way. It is bright and changes constantly with the latest news and polls being added and it also includes an interface with the Central Universities Procurement Information Database (CuPID), which allows information to be drawn directly. All information is organised logically and lies just a click away.

### New features on the website for Members include:

- A drop-down list of agreements with information drawn directly from CuPID
- Ability to sign up to our monthly eBulletin
- Useful links and tools
- A Members' Forum.

## Member Engagement

We aim to maintain and enhance our engagement with Members by visiting them all to ensure that they can take full advantage of the services we offer and highlighting any additional savings that can be made by re-routing spend through our framework agreements and contracts.

All Members receive a yearly statement highlighting all estimated savings and LUPC has developed a database including all spend data to provide regular, timely information. LUPC also requires all suppliers include contract references on invoices issued to Members to ensure they receive the very best prices.

LUPC is also planning to run a number of Member and supplier surveys to help improve our service to Members still further.

## Media

Our monthly eBulletin now has over 600 Member subscribers and has been re-designed to align with our new corporate

identity. Our ever-popular quarterly newsletter has grown to a 28-page magazine and continues to be well supported by both suppliers and Members with interesting articles.

LUPC has also now produced briefing sheets on all new projects providing Members with up-to-the-minute news on progress of every new agreement. This initiative will be extended to cover all LUPC agreements in the coming year.

LUPC was the subject of widening media interest during the year, with a number of articles appearing in publications such as University Business and Supply Management. Press releases are now issued for all new agreements to a number of relevant titles, further raising the profile of our consortium.

## Events

The Conference on University Purchasing (COUP 2009) was the biggest event in LUPC's long history. Running over a three-day period in early September 2009 at Royal Holloway, University of London, it turned out to be a hugely successful event.

Our exciting programme explored new ideas and developments influencing procurement in our sector today. Packed with interactive seminar sessions, excellent networking opportunities and the latest and most innovative products and services from leading suppliers, the event was well received by both delegates and exhibitors.

The theme of our conference was Developing and Sharing Procurement Excellence. The conference ran alongside a vibrant exhibition with 100 stands showcasing a wide range of suppliers goods and services to the higher and further education sectors.

We look forward to COUP2011, scheduled to be staged in Scotland in September 2011.

During the year, we launched a brand new initiative to host free launch events for new agreements to give our Members and suppliers the chance to renew acquaintances and forge new relationships. The first event of its kind, staged at the prestigious School of Oriental and African Studies, was for our new Temporary Agency Staff agreement and it was very well received by both Members and suppliers.

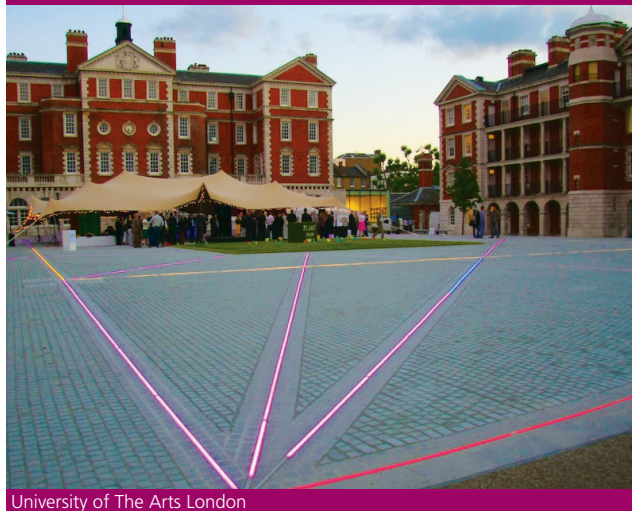
LUPC also continues to support our Members' and suppliers' events.

*"Without doubt, all of the LUPC agreements are important and useful to its members, and the new Legal Services Agreement is certainly a most welcome addition, especially in light of the current climate where access to specialist legal advice is essential to public sector organisations. I was particularly impressed with the launch event of the new agreements, which is a real winner, both for suppliers and users. It gives the opportunity for both parties to meet and discuss options and opportunities, in an informal setting. The Autumn show must have taken a considerable amount of organising but was clearly very productive and beneficial to all who attended. I would certainly attend any further launch events and encourage colleagues to do so."*

Susan Fielding, Procurement Manager,  
Royal Holloway, University of London

Buying under public procurement legislation has always been complex and associated with risk. This increased during the Recession, and the introduction of the new Remedies Directive which came into effect in December 2009 brought with it the risk of considerable financial loss and operational complications arising from possible termination of contracts.

To ensure that our Members are kept fully briefed on changes to legislation and the latest case law, LUPC runs regular training sessions as well as offering reduced rates for Themis. Members are also able to access free EU procurement advice and have the opportunity to track supplier credit reports.



University of The Arts London

## Reduced rates for Members on training courses

LUPC ran EU Update and Introduction to Purchasing courses in March and October 2010. Owing to the sharp increase in litigation, both these courses will continue to be run on regular basis. As part of our risk management strategy all members of the LUPC team are required to attend EU update courses.

To allow Members access to other procurement courses, LUPC has negotiated rates for LUPC Members to attend Achilles courses at the same rates as LUPC courses.

## Reduced rates for Members on THEMIS

Achilles offers a saving on the first Themis subscription and additional licences for the same Member with even further reductions. This allows Members access to EU procurement information including court cases, over 350 FAQ's linked to other EU information for further clarity and the "Ask Achilles" feature, which is answered via email within 7 hours as part of the agreement with LUPC.

## Free to Members: the Procurement Advice Service

As a LUPC member, you are also entitled to free telephone support under the LUPC EU procurement advice agreement.

## Free to Members: Creditsafe

The free comprehensive company credit reports accessed via Creditsafe have enjoyed a massive take-up by a number of Members, proving to be an immensely valuable service. The LUPC Creditsafe package provides:

- Access to detailed company reports at any time
- Organisation of 'tracked' suppliers into portfolios aligned to particular agreements or commodity areas
- Receipt of e-mail alerts every time a supplier in any portfolio has a change in their report
- Control over which personnel receive the e-mail alert, by portfolio
- No additional costs, save for international company reports on a 'pay as you go' basis.

## Procureweb

In recent months the JISC Procureweb team has spent time reviewing its service offering, identifying stakeholders and initiating a forward plan for the coming year.

## EMM Returns

JISC Procureweb is working to incorporate the Efficiency Measurement Model (EMM) return, requested annually by HEFCE, into the Measure system. This will make it easier for Members to submit the return if they are Measure users. Alternatively, the EMM return remains available via the JISC Procureweb online tool.

## Generic e-marketplace and CuPID

JISC Procureweb is currently working on the joint HEFCE-funded project to deliver a generic e-marketplace and to redevelop the contracts database, the Central Universities Purchasing Information Database (CuPID). JISC Procureweb has already undergone the user requirements gathering exercise and the project is now in competitive tender stage, with the aim of the project to be completed by late summer 2011.

## Buy and sell surplus equipment

JISC Procureweb is also working to launch a pilot scheme to enable institutions to buy and sell equipment that is surplus to local requirements, known as the Procureweb Xchange system. The system offers a real opportunity to Members as it will provide a large marketplace with links to the Research Councils, other higher education institutions and the JISC Advance RSC partners in further education colleges. This projects aims to be complete in December 2010.



# The Year in Review

| Commodity                                     | Estimated Saving  | Type of Saving | Rationale                                                                                                                             | National/Regional | Lead Consortium  |
|-----------------------------------------------|-------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|
| <b>Energy</b>                                 |                   |                |                                                                                                                                       |                   |                  |
| Electricity 100kW+ sites                      | £918,000          | P6             | Volume-related savings against prevailing market prices.                                                                              | National          | TEC              |
| Electricity Small Sites                       | £175,000          | P6             | Volume-related savings against prevailing market prices.                                                                              | National          | TEC              |
| Gas                                           | £277,000          | P6             | Volume-related savings against prevailing market prices.                                                                              | National          | TEC              |
| <b>Estates</b>                                |                   |                |                                                                                                                                       |                   |                  |
| Audio Visual Equipment                        | £103,000          | P9             | Benchmarked against best available alternative public sector framework agreement.                                                     | National          | HEPCW            |
| Audio Visual Consumables                      | £15,000           | P1             | Tendered savings.                                                                                                                     | National          | NWUPC            |
| Cleaning                                      | £137,000          | P6             | Benchmarked against prices previously paid by new agreement users                                                                     | Regional          | LUPC             |
| Electronics                                   | £146,000          | P1             | Discounts increased over last agreement                                                                                               | National          | NWUPC            |
| Fire Extinguishers and Fire-fighting Products | New!              |                |                                                                                                                                       | National          | Firebuy          |
| Furniture - Office                            | £558,000          | P1             | Savings as compared to previous contract.                                                                                             | Inter-regional    | SUPC             |
| Furniture - Residential                       | £1,000            | P1             | 5% improvement on previous prices                                                                                                     | Inter-regional    | NEUPC            |
| Hand Dryers                                   | New!              |                |                                                                                                                                       |                   |                  |
| ICT Furniture                                 | New!              |                |                                                                                                                                       |                   |                  |
| Lamps and Tubes (inc White Goods)             | £41,000           | P6             | Tendered savings.                                                                                                                     | Inter-regional    | NWUPC            |
| Portable Appliance Testing                    | £4,000            | P6             | Tendered savings.                                                                                                                     | Inter-regional    | NWUPC            |
| Safety & PPE                                  | £34,000           | P1, P7         | Average savings based on previous agreement price list less discount ranging from 18% to 61%.                                         | National          | SUPC             |
| Security Services                             | £224,000          | P6             | 8% volume discount.                                                                                                                   | Regional          | LUPC             |
| Signs and Signage                             | New!              |                |                                                                                                                                       | National          | NEUPC            |
| <b>Insurance</b>                              | <b>£4,149,000</b> | <b>P6</b>      | <b>Saving of 30% against previous insurer's renewal terms verified by benchmark with new Members.</b>                                 | <b>Regional</b>   | <b>LUPC</b>      |
| <b>ICT</b>                                    |                   |                |                                                                                                                                       |                   |                  |
| Desktops                                      | £1,560,000        | P9             | Benchmarked against best available alternative public sector framework agreement.                                                     | National          | LUPC             |
| Notebooks                                     | £394,000          | P9             | Benchmarked against best available alternative public sector framework agreement.                                                     | National          | LUPC             |
| Servers & Storage                             | £1,617,000        | P1, P9         | Improved prices of between 10% and 22% against best available alternative public sector framework agreement and previous prices paid. | National          | SUPC             |
| Apple Computers                               | £1,986,000        | P9             | Savings of approximately 15% compared with tier-one reseller prices                                                                   | National          | HEPCW            |
| Hardware Maintenance & Disaster Recovery      | £65,000           | P1             | 22% saving based on previous year's prices.                                                                                           | National          | SUPC             |
| IT Related Accessories and Parts              | £32,000           | P7, P9         | Savings of 4% on standard education prices plus additional savings on carriage prices                                                 | National          | SUPC             |
| Network Hardware                              | £55,000           | P9             | Savings of approximately 8% compared with Cisco Education Prices                                                                      | National          | NEUPC            |
| Printers and Peripherals                      | £28,000           | P9             | 2% saving compared with other public sector agreements, 3% saving on 10% of expenditure for extended warranties                       | National          | NEUPC            |
| Telecoms - Mobile                             | £398,000          | P6             | Saving of 25% against prevailing market prices.                                                                                       | National          | Buying Solutions |
| Telecoms - SMS Messaging                      | New!              |                |                                                                                                                                       | National          | LUPC             |
| UPS Equipment                                 | -                 |                | No LUPC spend to date                                                                                                                 | Inter-regional    | NEUPC            |

**Key to Types of Saving:**

**P1** Difference between original price and new price (from quotation/tender)

**P6** Aggregation of demand leading to volume discounts; only where budgets reflect historically different practice that did not attract such discounts

**P7** Price management; applying awareness of price trends to either achieve net savings, or 'price avoidance' to minimise or eliminate increased costs

**P9** Difference between successful bid and another comparable bid e.g. another public sector consortium agreement

Please note that calculation of these savings is based on agreement expenditure figures given to LUPC by suppliers.

| Commodity                                            | Estimated Saving | Type of Saving | Rationale                                                                                                                                       | National/Regional | Lead Consortium  |
|------------------------------------------------------|------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|
| <b>Laboratory</b>                                    |                  |                |                                                                                                                                                 |                   |                  |
| Laboratory Consumables                               | £2,940,000       | P6             | Benchmarked against prices previously paid by new agreement users                                                                               | Regional          | LUPC             |
| Laboratory Equipment                                 | £835,000         | P6             | Benchmarked against prices previously paid by new agreement users                                                                               | Regional          | LUPC             |
| Laboratory Gases                                     | £1,400,000       | P9             | Difference between HE prices and average market prices for similar volumes.                                                                     | National          | LUPC             |
| Microscopes and Imaging                              | New!             |                |                                                                                                                                                 | National          | APUC             |
| Mass Spectrometry and Chromatography Equipment       | New!             |                |                                                                                                                                                 | National          | APUC             |
| Fine Chemicals                                       | New!             |                |                                                                                                                                                 | National          | NWPLS            |
| Radio Chemicals                                      | New!             |                |                                                                                                                                                 | National          | NWPLS            |
| <b>Library</b>                                       |                  |                |                                                                                                                                                 |                   |                  |
| Library Books                                        | £501,000         | P6             | Average 8% savings from volume discounts                                                                                                        | Regional          | LUPC             |
| Library Security (RFID)                              | £163,000         | P1             | Benchmarked against prices previously paid by new agreement users                                                                               | Regional          | LUPC             |
| Library Periodicals                                  | £187,000         | P6             | Based on volume related discounts and operational efficiencies.                                                                                 | Regional          | LUPC             |
| Specialist Arts Service                              | £21,000          | P1             | Benchmarked against prices previously paid by new agreement users                                                                               | Regional          | LUPC             |
| General Library Supplies                             | £30,000          | P1             | Benchmarked against prices previously paid by new agreement users                                                                               | Regional          | LUPC             |
| <b>Office</b>                                        |                  |                |                                                                                                                                                 |                   |                  |
| Cash & Valuables in Transit                          | New!             |                |                                                                                                                                                 |                   |                  |
| Office Supplies and Computer Consumables             | £4,330,000       | P9             | Average savings of 37% on computer consumables and 8.6% on stationery compared to best available alternative public sector framework agreement. | National          | LUPC             |
| Photocopiers and MFDs                                | £236,000         | P9             | Benchmarked against best available alternative public sector framework agreement.                                                               | National          | NPWG             |
| Postal Services and Franking Machines (5 agreements) | £770,000         | P6             | Difference between HE prices and average market prices for similar volumes.                                                                     | National          | NPDSWP           |
| Recycled Paper                                       | £50,000          | P9             | 7% saving based on price difference between best and second best price tendered.                                                                | National          | Buying Solutions |
| <b>Professional Services</b>                         |                  |                |                                                                                                                                                 |                   |                  |
| Childcare Vouchers                                   | New!             |                |                                                                                                                                                 | National          | APUC             |
| Debt Collection                                      | £41,000          | P6             | Tendered savings.                                                                                                                               | Inter-regional    | LUPC             |
| Legal Services                                       | New!             |                |                                                                                                                                                 | Regional          | LUPC             |
| Recruitment Advertising                              | £163,200         | P6             | Average saving based on 6% returned agency margin                                                                                               | National          | SUPC             |
| Temporary Agency Staff                               | £509,000         | P1             | Average 15.2% saving relating to reduced margin and volume discounts                                                                            | Regional          | LUPC             |
| <b>Travel</b>                                        |                  |                |                                                                                                                                                 |                   |                  |
| Business Travel Booking Service                      | £264,000         | P6             | Tendered savings                                                                                                                                | Regional          | LUPC             |
| Vehicle Hire                                         | £4,000           | P1, P9         | Savings against previous agreement and non-framework rates.                                                                                     | Inter-regional    | SUPC             |

**Total** **£25,361,200**

# Commodity Group Reports

21 New and renewed agreements in 2009-10

61 Agreements in total

## Energy

LUPC continues to offer Members a collaborative energy procurement solution run specially for the needs of the higher education sector through our partner and service provider The Energy Consortium (TEC).

Members awarded contracts for the supply of electricity to over-100kW sites to EdF Energy, E-ON, Npower and Scottish & Southern Energy, saving an average of 6% when compared with prevailing market prices. Electricity for smaller sites is being supplied to Members through EdF, Npower, Opus and Scottish & Southern, saving an average of 11% compared with market prices. Contracts for the supply of gas were awarded to E-ON, Gazprom, Gaz de France, Npower and Scottish & Southern, saving 5% compared with market prices.

| Agreement Spend                 | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|---------------------------------|--------------------|--------------------|
| <b>Electricity</b> 100kW+ sites | <b>14.6</b>        | 25.3               |
| <b>Electricity</b> Small Sites  | <b>1.4</b>         | 4.3                |
| <b>Gas</b>                      | <b>5.4</b>         | 8.3                |

## Estates

Estates is the new growth focus area for LUPC, with no less than four brand new agreements available to Members.

Through a partnership with Firebuy, their agreement for fire extinguishers and fire-fighting products became available to LUPC Members early in the year. Chubb, FPS, Jactone Products, the Fire Protection Association and Tyco are the suppliers.

Our new Hand Dryers framework was awarded in February, with CNMOnline, Initial, Cannon, PHS and UK Hygiene being successful, while July saw the award of two new frameworks, for ICT Furniture (to Dalen Ltd) and for Signs and Signage, to Astley Signs, Castleton Signs, Green Bros, National Sign Company and Stocksigns.

| Agreement Spend                                      | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|------------------------------------------------------|--------------------|--------------------|
| <b>Audio Visual Equipment</b>                        | <b>1.0</b>         | 2.1                |
| <b>Audio Visual Consumables</b>                      | <b>0.04</b>        | 0.04               |
| <b>Cleaning</b>                                      | <b>2.3</b>         | 2.0                |
| <b>Electronics</b>                                   | <b>1.2</b>         | 1.2                |
| <b>Fire Extinguishers and fire-fighting products</b> | <b>New!</b>        | -                  |
| <b>Furniture - Office</b>                            | <b>3.6</b>         | 2.4                |
| <b>Furniture - Residential</b>                       | <b>0.02</b>        | Neg.               |
| <b>Hand Dryers</b>                                   | <b>New!</b>        | -                  |
| <b>ICT Furniture</b>                                 | <b>New!</b>        | -                  |
| <b>Lamps and Tubes, inc. White Goods</b>             | <b>0.2</b>         | 0.1                |
| <b>Portable Appliance Testing</b>                    | <b>0.03</b>        | Neg.               |
| <b>Safety &amp; PPE</b>                              | <b>0.06</b>        | 0.1                |
| <b>Security Services</b>                             | <b>2.8</b>         | 1.4                |
| <b>Signs and Signage</b>                             | <b>New!</b>        | -                  |

*"Using LUPC agreements for cleaning and security has afforded institutions like SOAS improved operative training and transparency on costs. It has also fostered greater collaborative working between Members, suppliers and external stakeholders, which has brought a number of wider benefits."*

Simon Button, Purchasing Manager,  
School of Oriental & African Studies



## Insurance

At the start of the year, LUPC secured a cap on increases at a maximum of just below 4% per institution for the 2009/10 renewal in return for extending the long term agreement to 2012 with no further interruptions, even if a number of large claims were to be received in the following two years.

In February, Zurich Municipal held a Higher Education Risk Forum for Members and guests. The forum covered several subjects including Rehabilitation, Fraud, Asbestos Management, Stress Management, Student Work Placements and Fire Risk Assessment.

In July, LUPC was invited to make a presentation to the Irish Universities Group as part of their discussions to establish their own collaborative arrangement.

## ICT

After the new, highly competitive National Notebook and Desktop Agreement commenced in August, we turned our attention to the separate competitive process for a One-Stop-Shop solution, taken among the awarded suppliers in Lots 1 and 2.

NDNA Lot 3 offers Members added value services such as on-site engineering support. Successful suppliers in Lot 3 are Viglen (desktops) and Toshiba (notebooks) supplied via Viglen; Stone (desktops) and Samsung (notebooks) supplied via Stone; HP (desktops and notebooks) direct and Dell (desktops and notebooks) direct initially and indirect pending competition.

New Member JANET(UK) led the process on a framework agreement for SMS Messaging (awarded to PageOne Communications) and further JANET-led agreements are likely to form a complementary part of the ICT portfolio as we go into 2010/11.

| Agreement Spend  | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|------------------|--------------------|--------------------|
| <b>Insurance</b> | <b>9.7</b>         | <b>8.8</b>         |

*"Westminster has used the LUPC insurance framework since its inception. I have no doubt that the arrangement represents both best value and best-in-class cover, and is validated by the excellent response we received to our major fire claim in 2007"*

Andrew Rance, Procurement Manager, University of Westminster

| Agreement Spend                                     | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|-----------------------------------------------------|--------------------|--------------------|
| <b>Desktops</b>                                     | <b>9.0</b>         | <b>11.8</b>        |
| <b>Notebooks</b>                                    | <b>2.6</b>         | <b>3.4</b>         |
| <b>Servers &amp; Storage</b>                        | <b>6.4</b>         | <b>7.5</b>         |
| <b>Apple Computers</b>                              | <b>11.3</b>        | <b>10.7</b>        |
| <b>Hardware Maintenance &amp; Disaster Recovery</b> | <b>0.1</b>         | <b>0.1</b>         |
| <b>IT Related Accessories and Parts</b>             | <b>0.8</b>         | <b>1.5</b>         |
| <b>Network Hardware</b>                             | <b>0.6</b>         | <b>0.9</b>         |
| <b>Printers and Peripherals</b>                     | <b>0.5</b>         | <b>1.2</b>         |
| <b>Telecoms - Mobile</b>                            | <b>1.2</b>         | <b>0.8</b>         |
| <b>Telecoms – SMS Messaging</b>                     | <b>New!</b>        | <b>-</b>           |
| <b>UPS Equipment</b>                                | <b>Neg</b>         | <b>Neg</b>         |

*"Procuring Windows hardware using the LUPC agreement enabled JANET(UK) to undertake efficient procurement with a good choice of suppliers, transparency of evaluation criteria, weightings and scores to deliver a value-for-money outcome."*

Sue Weston, Head of Procurement, JANET(UK)

## Laboratory

Two new, national laboratory framework agreements were awarded this year by our colleagues at Advanced Procurement for Universities and Colleges (APUC) in Scotland, both of which are available for LUPC Members. In March, APUC awarded an agreement for Microscopes and Imaging, followed by another in July for Mass Spectrometry and Chromatography Equipment. Both include a long list of suppliers in view of the wide range of varying equipment on offer.

We also arranged for two more agreements managed by the National Working Party Laboratory Supplies to be made available to Members for Fine and Radio Chemicals respectively.

These complement our Laboratory Consumables, Equipment and Gases frameworks, which remain an important part of our portfolio, with regular core list analyses, price reviews and contract management meetings with our suppliers to ensure best possible value for Members.

| Agreement Spend                                | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|------------------------------------------------|--------------------|--------------------|
| Laboratory Consumables                         | 7.2                | 7.8                |
| Laboratory Equipment                           | 2.4                | 3.0                |
| Laboratory Gases                               | 1.6                | 1.0                |
| Microscopes and Imaging                        | New!               | -                  |
| Mass Spectrometry and Chromatography Equipment | New!               | -                  |
| Fine Chemicals                                 | New!               | -                  |
| Radio Chemicals                                | New!               | -                  |

*"The Health Protection Agency began implementing the Laboratory Gases framework agreement during the preceding year. At the majority of the agency's sites no change of supplier was required in order to take advantage of the agreement, merely a change of rates. Savings achieved average at 32%, which equates to over £100k per annum."*

Bill Martin, Contracts Manager, Health Protection Agency

## Library

Our Libraries Commodity Group, chaired by Helen Ward of Kingston University has just completed a very busy year.

Following last year's successful new Library Book agreement, new agreements were tendered for Periodicals (awarded to Ebsco, Swets and LM Information Delivery) and our Specialist Arts Service (Arts Bibliographic and Casalini Libri), both at very highly favourable discounts for our libraries.

Our new General Library Supplies agreement is now a national framework, led by LUPC, and was awarded to Gresswell for general, archival and security supplies, Bibliotheca RFID Library Systems and Intellident for security supplies, and Conservation by Design for archival boxes.

All our new agreements were in place in time for academic year 2010/11 and offer highly attractive rates for Members.

| Agreement Spend          | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|--------------------------|--------------------|--------------------|
| Library Books            | 5.7                | 6.1                |
| Library Security (RFID)  | 0.7                | 0.5                |
| Library Periodicals      | 8.7                | 9.2                |
| Specialist Arts Service  | 0.1                | 0.1                |
| General Library Supplies | 0.1                | 0.1                |

*"In the current economic climate, LUPC is helping university libraries get good value for resources they need for their users. As we are expected to do more with less, utilising agreements such as the LUPC Periodicals or the Library General Supplies agreement ensures that we are providing this value in respect of significant cost products. As a specialist provider of arts education, University of the Arts London is also able to take advantage of the new LUPC Specialist Arts agreement for some of our more specific resource requirements."*

Karen Carden, Technical Services Manager,  
University of the Arts London

## Office

Our national framework agreement for Office Supplies and Computer Consumables, which LUPC leads, attracted 23 not-for-profit organisations to join as Associate Members, bringing in valuable additional revenue for the Consortium. As the year closed, LUPC was leading the process to renew the agreement from 2011.

In February, a new national agreement for Cash and Valuables in Transit was awarded by our colleagues at NEUPC to Loomis and Security Plus.

Discussions with Buying Solutions continue to ensure that the needs of our Members are represented on the group managing the new procurement process for the national Photocopier and Multi-Functional Device agreement, due in [2011].

In July, a new agreement for International Airmail, Letters, Flats and Packets was awarded to DHL Express, Royal Mail, Spring Global Mail and UK Mail International with highly preferential discounts.

## Professional Services

Professional Services was a category earmarked as an area for expansion as part of our 10 Point Plan.

In March, we awarded our new framework agreement for Temporary Agency Staff. The agreement is available exclusively to LUPC Members and was awarded to seven suppliers, four of which are small or medium-sized enterprises. Six specialist lots were awarded to Brook Street, ProspectUs, Sammons Group, Eurobase, Hays and Step Ahead while Step Ahead, Hays and Spring Group can compete to meet Member requirements under a One Stop Shop.

This was followed at the close of the year by our brand new framework agreement for Legal Services, also exclusive to LUPC Members. This time 13 firms are available in eight specialist practice areas, including Education & Student Matters and Medical law, and a One Stop Shop lot. Early indications are that this agreement is saving Members an average of 20% on legal costs.

In June, a new national agreement for Childcare Vouchers was awarded by APUC to Sodexo Pass.

| Agreement Spend                                      | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|------------------------------------------------------|--------------------|--------------------|
| Cash and Valuables in Transit                        | New!               | -                  |
| Office Supplies and Computer Consumables             | 12.4               | 7.8                |
| Photocopiers and Multi-Functional Devices            | 2.2                | 2.6                |
| Postal Services and Franking Machines (5 agreements) | 2.7                | 2.7                |
| Recycled Paper                                       | 0.5                | 0.4                |

*"The National Working Party for Computer and Stationery Supplies (NWPCSS) eagerly awaits the outcome of the new tender exercise. We believe it will offer added value for both institutions that are able to gain efficiencies by encompassing the variant options whilst still providing value for money to those institutions that prefer to remain with the standard offering."*

Rob Godfrey, Head of Procurement, Queen Mary University of London

| Agreement Spend        | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|------------------------|--------------------|--------------------|
| Advertising            | 2.7                | 1.4                |
| Childcare Vouchers     | New!               | -                  |
| Debt Collection        | 0.2                | 0.2                |
| Legal Services         | New!               | -                  |
| Temporary Agency Staff | 3.6                | 5.6                |

*"The London School of Economics has used the new LUPC Temporary Agency agreement to carry out a mini-competition of One Stop Shop providers for temporary labour, and appointed the Spring Group with effect from July 2010. The transition was seamless and without incident."*

Alan Langley, Contracts Manager, London School of Economics

*"LUPC has produced an excellent Buyer's Guide and supplier detail document for the Legal Services framework, well done."*

Carwyn Allison, Procurement Manager, Kingston University



## Travel

Our new Business Travel Services framework agreement was awarded to four suppliers (Ian Allan, Key Travel, Co-Operative Travel Management and Egencia) giving our Members a real choice in travel management provision. The award followed the intensive EU 'competitive dialogue' process, the first time this method has been used by LUPC and aimed at working with the market to offer the best solution to our Members' travel management needs.

During the year, our Member, Queen Mary, University of London also awarded a 'route deal' directly with airlines for travel between the UK and China, which is available for Members to access.

| Agreement Spend                 | 2009/10 Spend (£m) | 2008/09 Spend (£m) |
|---------------------------------|--------------------|--------------------|
| <b>Business Travel Services</b> | <b>5.9</b>         | 6.5                |
| <b>Vehicle Hire</b>             | <b>0.05</b>        | 0.08               |

*"By utilising the new LUPC travel agreement, Queen Mary intends to take full control over the remainder of its unidentified travel spend. The unique like-for-like price guarantee negotiated in the travel contract will ensure stakeholder compliance because the cheapest fare found on the Internet will be booked by the travel management company (TMC) within 2 hours of their original quotation to the stakeholder. The volcanic ash crisis of April 2010 showed we need to ensure all our business travellers use the TMC so they can be traced and helped by its 24-hour help desk in cases of emergency."*

Donna Ross, Contracts Manager, Queen Mary University of London

*"Our vision is that, within the next 10 years, the Higher Education sector will be recognised as a major contributor to society's efforts to achieve sustainability – through the skills and knowledge that its graduates learn and put into practice, and through its own strategies and operations."*

**Higher Education Funding Council for England (HEFCE), 2005**



The School of Pharmacy, UoL

LUPC is committed to continuing to ensure that sustainability is embedded in all our new contracts and frameworks, particularly with the active support of the Sustainable Procurement Centre of Excellence (SPCE).

## **London Universities Sustainable Procurement Group (LUSPG)**

The London Universities Sustainable Procurement Group was established in May 2010. The aim of this group is to promote and develop the principles and practices of sustainable procurement within Higher Education Institutions (HEIs) through support to its Members on a range of issues specified in its Terms of Reference.

The group focuses on identifying and sharing information from Members and relevant partners to support the Group's aims, including the potential for collaboration, potential funding and events of interest and developing awareness of the contribution London's HEIs can make to embedding sustainable procurement practice among the Group and other Members.

Membership of the Group is open to all Higher Education Institutions (HEIs) in Greater London.

## **The following comprises a list of operational items that the Group will consider in its work:**

- Supply chain management and development
- Waste elimination, waste disposal, packaging
- Recycling
- Energy use
- Social Factors
- Product design

- Product materials
- Trading with Small and Medium-sized Enterprises (SMEs)
- Transportation and delivery
- Logistical travel plans
- Health and safety
- Verification of certification
- Kite-marks and standards

## **London Universities Environmental Group (LUEG)**

LUPC and 26 of London's 39 HEFCE-funded HEIs are members of LUEG. Five bi-monthly general meetings were held in 2009-2010 with an average attendance of 29 Members represented at meetings.

A programme of monthly peer-led workshops held during the year included topics such as:

- HEFCE Carbon Reduction Strategy by HEFCE
- Introduction to Environmental Management Systems by Revise
- Biodiversity in HEIs with Living Roofs and London Beekeepers Association
- Environmental Management Systems by Institute of Cancer Research
- Setting up an environmental champions network by Roehampton and City
- Zero Waste Management – reduce reuse recycle best practice share
- Delivering a carbon reduction programme - University of East London

## **Specialist sub-groups were created, with interest in:**

- Carbon Reduction
- Environmental Management Systems
- Further Education 'Buddying' Scheme
- Sustainable Procurement.

LUEG members feature among the top performers in the 2010 People and Planet Green League.

## **SPCE project update**

Since it was established in October 2009 the SPCE has made significant steps towards embedding sustainable procurement across the HE sector. A total of 94 members of staff have been trained at 37 institutions and the SPCE is currently working as part of a Defra-funded national programme to support six institutions and the purchasing consortia to roll out more training through 2011.

SPCE has supported a number of national agreements and will be expanding on this area of work in the coming year. In August 2010, the SPCE also launched a new website to provide information on the latest toolkits, guidance, case studies and legislation as well as project updates.

For more information visit: <http://spce.procureweb.ac.uk/>

## **Independent Auditors' report to the Members of London Universities Purchasing Consortium (A company limited by guarantee)**

We have audited the financial statements of London Universities Purchasing Consortium (A company limited by guarantee) for the year ended 31 July 2010 on pages six to twelve. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2010 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Report of the Directors in accordance with the small companies regime.

## **Kevin Lally (Senior Statutory Auditor)**

for and on behalf of Knox Cropper Chartered Accountants and Registered Auditors

8/9 Well Court  
London  
EC4M 9DN

9 November 2010

## Profit and Loss Account

for the Year Ended 31 July 2010

|                                                             | 2010<br>£                    | 2009<br>£              |
|-------------------------------------------------------------|------------------------------|------------------------|
| <b>Turnover</b>                                             | <b><u>729,876</u></b>        | <u>483,665</u>         |
| Staff costs                                                 | <b>339,514</b>               | 354,784                |
| Depreciation                                                | <b>2,994</b>                 | 2,134                  |
| Other operating charges                                     | <b><u>174,975</u></b>        | <u>167,713</u>         |
|                                                             | <b><u>517,483</u></b>        | <u>524,631</u>         |
| <b>Operating Profit/(Loss)</b>                              | <b>212,393</b>               | (40,966)               |
| Interest receivable and similar income                      | <b><u>1,660</u></b>          | <u>5,906</u>           |
| <b>Profit/(Loss) on ordinary activities before taxation</b> | <b>214,053</b>               | (35,060)               |
| Tax on profit/(loss) on ordinary activities                 | <b><u>18,633</u></b>         | <u>1,200</u>           |
| <b>Profit/(Loss) for the Financial Year after taxation</b>  | <b><u><u>195,420</u></u></b> | <u><u>(36,260)</u></u> |

## Balance Sheet

31 July 2010

|                                              | 2010<br>£                    | 2009<br>£             |
|----------------------------------------------|------------------------------|-----------------------|
| <b>Fixes Assets</b>                          |                              |                       |
| Tangible assets                              | <b>3,634</b>                 | 3,941                 |
| <b>Current Assets</b>                        |                              |                       |
| Debtors                                      | <b>121,976</b>               | 43,518                |
| Cash at bank and in hand                     | <b><u>305,318</u></b>        | <u>152,293</u>        |
|                                              | <b><u>427,294</u></b>        | <u>195,811</u>        |
| <b>Creditors</b>                             |                              |                       |
| Amounts falling due within one year          | <b><u>74,811</u></b>         | <u>39,055</u>         |
| <b>Net Current Assets</b>                    | <b><u>352,483</u></b>        | <u>156,756</u>        |
| <b>Total Assets less Current liabilities</b> | <b><u><u>356,117</u></u></b> | <u><u>160,697</u></u> |
| <b>Reserves</b>                              |                              |                       |
| Profit and loss account                      | <b><u><u>356,117</u></u></b> | <u><u>160,697</u></u> |



# Member Institutions

Barking College  
Birkbeck College  
British Film Institute  
The British Library  
The British Museum  
Central School of Speech & Drama  
Courtauld Institute of Art  
Conservatoire for Dance and Drama  
*London Contemporary Dance School*  
*Royal Academy of Dramatic Art*  
*Bristol Old Vic Theatre School*  
*Northern School of Contemporary Dance*  
*Central School of Ballet*  
*The Circus Space*  
*London Academy of Music and Dramatic Art*  
*Rambert School of Ballet and Contemporary Dance*  
Croydon College  
Ealing, Hammersmith & West London College  
Goldsmiths, University of London  
Guildford College  
Havering College of Further & Higher Education  
Health Protection Agency  
Heythrop College  
Imperial War Museum  
Institute of Cancer Research  
Institute of Education  
Institute of Zoology  
International Students House  
JANET (UK)  
Kingston College  
Kingston University  
Lambeth College  
London Business School  
London Deanery  
London Metropolitan University  
London School of Economics & Political Science  
London School of Hygiene & Tropical Medicine  
London South Bank University  
The National Archives  
Natural History Museum  
Newham College  
North East Surrey College of Technology (NESCOT)  
Queen Mary, University of London  
*St Bart's & The Royal London School of Medicine & Dentistry*  
Ravensbourne College of Design & Communication  
Redbridge College  
Richmond Adult Community College  
Royal Botanic Gardens, Kew  
Royal College of Art  
Royal College of Music  
Royal College of Surgeons  
Royal Holloway, University of London  
Royal Veterinary College  
School of Oriental & African Studies  
School of Pharmacy  
South Thames College

Southwark College  
St George's, University of London  
Trinity College of Music  
University of East London  
University of Greenwich  
University of London  
University of the Arts London  
University of Westminster  
Victoria and Albert Museum  
Wellcome Trust  
West Kent College  
Westminster Kingsway College

## ASSOCIATE MEMBERS (Office Supplies)

Alcohol Education & Research Council  
Audit Commission  
Avon and Somerset Constabulary  
British Council  
Cambridgeshire and Peterborough Probation Trust  
Cheltenham Borough Council  
Cotswold District Council  
Crown Prosecution Service  
Electoral Commission  
Falkirk Council  
Fire Service College  
Food Standards Agency  
Gwent Probation Board  
Identity and Passport Services  
Independent Police Complaints Commission  
Kent Probation  
Lancashire County Council  
Lancashire County Council Schools  
National Audit Office  
National College of Leadership of Schools and Children's Services  
Serious Fraud Office  
Somerset County Council  
Youth Justice Board

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Brunel University  
City University  
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Thames Valley University  
University College London  
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University of Essex  
University of Portsmouth  
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Director  
London Universities Purchasing Consortium

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