

All eyes on Zanzibar as the government seeks £15 billion public sector savings

24th April 2009, LONDON, UK - Zanzibar - the eProcurement system that is delivered by ProcServe - has been pinpointed as key to delivering UK public sector savings. The Collaborative Procurement strand of the UK Treasury's Operational Efficiency Programme Review, led by Invensys Chairman Martin Jay, has concluded in its report that rolling out and using the Zanzibar system in the public sector will be key to achieving the government's target that 80% of public sector purchasing is to be delivered by a central procurement service - delivering £15 billion in savings by 2010/11.

In his budget statement on Wednesday 22nd April 2008, Alistair Darling stated

"Yesterday, we published the reports of the five independent reviews I set up last year. They have identified extra efficiencies from 2011 which rise to a further £9bn of additional savings a year by 2013-14. They include efficiencies in public sector back-office functions and IT, improved procurement, and better collaboration and innovation at the local level. This will allow us to protect front line public services, while keeping current spending growth, in real terms, at an average of 0.7 per cent a year from 2011-12 onwards. "

The Zanzibar system is specially named as key to enabling collaborative procurement and how these savings can be achieved.

Veera Johnson, Chief Executive of ProcServe, who deliver the Zanzibar managed service on behalf of HM Treasury said; "This is a great endorsement of Zanzibar both as a key enabler to supporting collaboration in public sector procurement and of its ability to deliver tangible savings. It is also positive recognition of the leadership shown by many of the public sector organisations that currently use Zanzibar and already benefit from savings achieved through collaboration. As a secure managed service, Zanzibar enables this through a 'connect once, trade everywhere' model and that connection requires no need to replace existing systems. It is the secure 'Amazon' for government procurement, easy to connect, simple to use and delivering real value".

The OEP report highlighted the need to improve awareness and uptake throughout the public sector of collaborative strategies, and in Recommendation 2.4, central Whitehall departments and organisations across the wider public sector should make better use of existing investments in eProcurement tools such as Zanzibar. This report has been accepted by the Chancellor of the Exchequer, Alistair Darling, in the budget statement announced on 22nd April 2009. He states "The Government accepts the recommendations of the OEP in full and all departments will be working to implement and deliver the additional value for money savings identified through the Programme."

Zanzibar enables buyers from across the public sector to;

- Have the best value deals made available to them at the touch of a button from national frameworks to local sourcing from SME's
- Have access to fast and totally secure method of ordering goods and services integrated with their ledger and payment systems
- Make major reductions in the turnaround time for paying suppliers

Zanzibar gives complete visibility of how much is being spent, on what and by whom, creating total accountability for every publicly funded buying decision.

Zanzibar connects buyer and supplier trading systems to create a trading community for optimal purchasing efficiency for both parties, eliminating waste from 'maverick' or off contract purchasing.

Zanzibar is the only service designed for the entirety of the public sector. Its users range from the smallest Primary Schools, to local public bodies, to the very largest central departments such as the Department for Work and Pensions (DWP).

The savings made from using the centralised purchasing function will be crucial in delivering the £15bn additional savings to bolster front line services in education, social care and the Health Service.

The Zanzibar service is developed and operated by ProcServe on behalf of Treasury, the Office of Government Commerce and Buying Solutions. It is calculated to get the best possible value from public procurement and to make electronic trading with public sector organisations instant and affordable for suppliers to government irrespective of their size and capability.

Zanzibar is the only HMG security accredited marketplace.

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 also delivers OPEN and xchangewales, which are underpinned by the Zanzibar system on behalf of the UK Public Sector. For more information, please visit www.procserve.com.

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Notes to Editors

Zanzibar is an electronic procurement exchange, developed conceptually by the Office of

Government Commerce between 2003 and 2006. It is used widely in the Department for Work and Pensions (central government's biggest buyer of goods and services), the Bank of England, the Crown Prosecution Service, the Department for Children, Schools and Families, the Welsh Assembly Government and a number of other public sector organisations.

The requirement for delivery of the service was tendered through the Official Journal of the EU, is managed by Buying Solutions and is available to any organisation in the UK public sector.

At the 2008 Management Consultancy Association (MCA) Awards, Zanzibar was awarded first place, in the category 'Operational Performance'.

To read the complete OEP Final Report, please visit

http://www.hm-treasury.gov.uk/vfm_operational_efficiency.htm