



Portsmouth City Council Deploy New OJEU Dynamic Purchasing System to Lock Away £351k Energy Savings

Our Client

Portsmouth City Council is the local authority of the city of Portsmouth in Hampshire, England that also tenders energy supply contracts for Gosport Borough Council.

Their estate consists of 1,244 gas and electricity meters which typically consumes more than 83 GWs of gas and power.

Energy procurement and energy management is vital to minimise the upkeep of the council's corporate buildings, schools, housing stock, streetlighting, local leisure facilities and their commercial buildings.



Portsmouth
CITY COUNCIL

Our Challenge

In January 2020, Portsmouth Council decided to examine their procurement options by assessing the energy frameworks within the energy market. Having procured energy for over a decade using the same public buying organisation the Energy Team were curious to know what value, services and innovations were available from other OJEU frameworks.

The tender was complex because of the number of different competitors offers available and due to the timing constraints permitted to complete the tender during COVID lockdown.

Our Objectives

The tender was bespoke and required:

- Delivering a risk strategy workshop
- Sourcing better value for the next renewal contracts
- Maximizing competition for site level bids.
- Negotiating preferred MOP appointments
- Negotiating bespoke VT requirements
- Exploring bespoke tariffs for sites with battery storage
- Assisted with legacy supplier issues to help with mobilisation
- To obtain 100% green energy

The Results

Portsmouth Council managed to secure the results below:

- The bespoke tender reduced the energy costs by £351,276 (6.5%) against current rates
- Beond's software evaluated 62,654 tariff offers at meter level:
 - 47 bids for 960 NHH meters
 - 71 bids for 195 gas meters
 - 49 bids for 68 HH meters
 - 17 bids for 21 UMS meters
- The following number of suppliers participated:
 - 10 suppliers bid for the NHH auction
 - 8 suppliers bid for the Gas auction
 - 6 suppliers bid for the HH auction
 - 4 suppliers bid for the UMS auction
- Incorporating the reverse auction software into the OJEU process created significant procurement efficiency gains by automatically assessing many supplier's offers like-for-like instantly
- All electricity tenders secured 100% green energy at no extra premium, to assist with sustainability targets

Testimonial

"The use of Beond's innovations and their 10 year OJEU Dynamic Purchasing System with 15 suppliers created more choice, more competition and more transparency than traditional procurement baskets.

We found Beond to be very knowledgeable and helpful with resolving historic issues and managing the OJEU procurement process with our procurement team. We are also delighted with the hands on after services they provide us."

Gareth Williams, Energy Manager

Key Facts

10

Different suppliers bid for the business

6.5%

Savings delivered using a bespoke competitive tender

£351k

Savings using eAuction Software

15

Number of approved energy suppliers on the OJEU DPS framework

1,200

Over 1,200 Meters switched on time

3-Year

Budget certainty and for all NHH sites