

# Realising the value of long-term relationships

**CLIENT:** Dene Magna School  
**SECTOR:** Education  
**COST CATEGORIES:** Catering, Managed Print

## SUMMARY OF SAVINGS

Catering (retender)

15-20%

Managed Print

55%

Since the changeover to the new supplier, service levels have improved dramatically, staff are happy, and Dene Magna continues to achieve good savings for the long-term.

## THE CLIENT

Dene Magna School is a mixed secondary school in Mitcheldean, Gloucestershire. It currently educates 860 pupils between the ages 11 to 16 and just been given permission to open a sixth form provision from Sept 2019.

The school proudly holds the vision: "That each and every learner shall achieve their maximum potential and enjoy the process." This is reinforced in the fact that in Nov 2012 the school was graded as Outstanding by Ofsted and has retained this status ever since.

## THE CHALLENGE

As with any school, budgets at Dene Magna are carefully managed and value for money is a must. When Business Manager, Janet Ray, brought in Expense Reduction Analysts (ERA), the initial aim was to save costs. However, Janet quickly realised the scope of ERA's expertise offered much more than financial benefits. Four years on, an agile and strategic partnership continues to deliver greater visibility on spend, improved service levels and advice on the latest solutions. As well as ongoing savings!

## THE SOLUTION

ERA Client Relationship Manager, Giles Collighan, worked closely with Janet to identify key cost centres for review. Being critical to school operations, and with a large spend, Catering was chosen for the initial project. Giles introduced Janet to ERA Catering Specialist, Chris Wardle. Chris profiled a period of historical food purchasing to create a new tender, bespoke to Dene Magna, which he then took out to the open market. With Chris' guidance, the school was able to consolidate a disjointed supply chain of five suppliers down to a single new provider.



"Working with ERA is great because it's all done at no risk to the school. The work that they do helps with budgeting year-on-year and does allow us to spend elsewhere. As well as being highly professional, everyone has always been a pleasure to work with. I would and have recommended them to other schools."

**JANET RAY,**  
**BUSINESS MANAGER, DENE MAGNA SCHOOL**

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“In addition to savings of 15%, the solution offered additional funding to purchase ancillary equipment, as well as enhanced service,” explained Chris. “Actual savings after 24 months were ahead of schedule, thanks to the school using the new solution extremely effectively. Not only did they save money on purchases, but the reduced administrative effort realised tangible benefits too.”

After a successful transition and two year period of implementation, Janet chose to extend the relationship with ERA into a period of Ongoing Service, during which, ERA continued to audit at a reduced fee. Soon after, a period of market-wide price increases made this agreement less valuable to Dene Magna. ERA suggested a complete retendering exercise, which the school accepted. “Even given volatile food pricing over the period, the retender produced an additional 20.2% saving,” said Chris. “Non-financial benefits to the school include retaining their preferred delivery window, access to GPP and allergen software - which would normally be chargeable - a dedicated telesales resource, much more flexibility and better pricing on split cases of goods.”

Janet Ray, Business Manager at Dene Magna School comments, “On both the original catering tender four years ago and, subsequently, on the recent one, we saved a considerable amount of money. But working with ERA is about more than that.

The level of detail in the reporting and the control over budgeting that this allows is where even more value lies. All of the hassle is dealt with by the consultants involved; we don’t get any cold calls and there’s no unnecessary administration. It’s a very easy process to be involved with.”

After the success of the Catering project, Dene Magna opted to engage ERA to review a second, key cost centre: Managed Print. Whilst not unhappy with their existing supplier, Janet requested ERA’s expert help through the tender process.

With decades of experience and market knowledge, ERA print specialist, Andy Kinnear was brought in to undertake the project. Andy conducted a full review of the school’s existing requirements, factoring in potential future needs. He then created a new tender which he took out to four different suppliers. After presenting the results and his recommendations, Dene Magna opted to award the contact to a direct manufacturer with 70% lease savings.

“Andy has done a very good job, we’re very pleased,” said Janet. “The printing project happened in two stages; firstly, Andy synchronised the contacts and then secondly, leveraged the whole lot to secure the best deal for us in terms of cost, service and future-proofing.

What has impressed me throughout, is the level of detail and the way in which each ERA consultant works with us as a procurement advisor for the long term, not just during the tender process.”

After the first year, the new incumbent changed its account management service and admin structure, resulting in a decreased reliability of the copiers and poor service response times.

The combined effect had a negative impact on key staff at the school. Andy quickly stepped in and assisted in the complex procedure of unwinding the service contract, midterm.

His negotiations were successful and, by leveraging his market knowledge, Andy was able to release Dene Magna from their existing contract, with no penalties.

Thanks to existing links with best-fit suppliers, Andy was then able to reengage with a local supplier who took over the service from the incumbent. The new supplier had been involved in the original tender and had in fact been recommended to Dene Magna by ERA, as Andy explained: “We knew the supplier well from working with them on a project to install a large fleet of MFDs to a neighbouring school - which was delighted with the service. Through this connection, we were able to work towards a swift and smooth transition ensuring minimum disruption to staff and pupils at Dene Magna.”

“As Andy has demonstrated throughout this project, ERA is not in this for a quick buck. They follow through on any customer issues - it’s not a case of ‘take the money and run.’ They’re in for the long-run and, as a client, that’s very reassuring and not something that I feel should be taken lightly in the modern climate,” said Janet.

Since the changeover to the new supplier, service levels have improved dramatically, staff are happy, and Dene Magna continues to achieve good savings for the long-term.

