

## Ian Perry ~ Chairman's View



GM Procure was born out of a collective need for fairer, more predictable pricing for both landlords and their contractors/suppliers. Mike Brogan was employed by Harvest Housing Group to examine current procurement methods. Both he and Harvest chief executive Ian Perry felt that greater savings could be found through collaboration with other social landlords. With that in mind, a business plan for an independent organisation was developed and won some backing from the government. GM Procure was born.

Ian Perry said: "Three years on the reality has turned out far, far better than expected. Originally we had only planned to procure kitchens, bathrooms, windows and heating systems to meet the Decent Homes standard. But because we have moved into a greater range of services – what we call 'work streams' – we are spending considerably more than first anticipated. We had predicted spending £35 million annually but this year we will spend over £100 million.

The spend of my own organisation – Harvest – is £8 million, which represents over 95% of eligible spend. There are some areas that GM Procure do not source – lift services and maintenance for example – so we have to go elsewhere for those. But almost all of what we can spend through GM Procure, we do."

Despite the economic downturn, GM Procure is still growing through 2009 although at a slower rate. Some member landlords are trimming their budgets of course but it has not been significant because GM Procure is still three to four times ahead of its original business plan.

Ian said: "In the short term we will expand our range of services to areas such as responsive repairs, replacement of boilers and fleet purchasing vehicles. Our merger with IMPACT Manchester will also have a significant effect on our buying power."