



## Oxygen and NEPO: A partnership delivering procurement innovation, supply chain support and community value

Oxygen Finance works with public sector organisations to provide early payment programmes that support their supply chains while also generating savings to reinvest into local public services. Through its partnership with NEPO, this model has scaled into a trusted, structured framework that benefits suppliers, buying authorities and their wider communities.

### Establishing a compliant route to market for early payment

The relationship began with South Tyneside Council, an existing Oxygen client approaching the end of its contract. Rather than simply renewing, the council chose to test the market through a formal procurement exercise, with NEPO appointed to run the process. Recognising the potential value of the service for other organisations, NEPO used this opportunity to establish a dedicated early payment services framework.

Following a competitive tender, Oxygen was appointed as the sole supplier on the NEPO 521 framework. This marked a significant shift, extending beyond South Tyneside to the wider public sector. For the first time, local authorities had access to a compliant, pre-procured route to market for early payment services,

removing the need for individual procurement exercises.

From that foundation, the partnership has become a model of strong, collaborative partnership in practice. NEPO provides governance and a trusted, compliant route to market, while Oxygen delivers the technology, client service and ongoing supplier engagement needed to support adoption and long-term success.



**The NEPO 521 Early Payment Service has become a well-established solution that helps public sector organisations accelerate payments, improve cash flow across their supply chains and deliver efficiencies. Through our strong partnership with Oxygen Finance, it continues to deliver clear, practical benefits for both public bodies and their suppliers.**

**Nick McDonald,  
Corporate Services and ICT  
Lead, NEPO**

Today, 11 of NEPO's 12 North East member authorities have procured early payment programmes through the framework. More broadly, the framework has supported around 40 call-offs from public sector organisations across the country, representing billions of pounds in supplier spend and delivering millions of pounds to the public purse.

The demonstrable success of existing early payment programmes has driven further adoption, with organisations looking to replicate the proven outcomes realised through the NEPO 521 framework.

## Delivering financial outcomes and procurement insight

The early payment programmes delivered through the framework allow local authorities and other public sector bodies to pay their supplier base ahead of contracted terms, improving cash flow and stability across local supply chains, whilst also generating additional income to support frontline services.

Alongside this, participating public sector organisations also benefit from detailed procurement and payment insights. Through regular engagement, including structured steering groups, and ongoing data sharing, buying authorities gain a high level of visibility into their spend and supplier base. This supports more informed decision-making and ongoing programme optimisation.



Donating a defibrillator to Middlesbrough Council as part of Oxygen's social value commitment.

## Supporting social value and supplier resilience

The partnership also reflects a shared commitment to social value. As part of its delivery, Oxygen has supported a range of initiatives, including funding defibrillators for communities in the North East, sponsoring community activities, and providing employability support for young people.

In addition, a key innovation has been Oxygen's FreePay model, which enables micro businesses within public sector supply chains to access early payment at no cost, supporting local jobs and communities, particularly during challenging times. As of the end of 2025, FreePay has enabled £3.6bn in early payments to the small and micro businesses supplying Oxygen's early payment clients.

## A collaborative partnership delivering long-term success

The relationship between Oxygen and NEPO continues to be highly collaborative, with joint activity across events and stakeholder engagement, including shared presence at sector conferences, alongside regular meetings to ensure alignment.

As NEPO marks its 50th anniversary, this partnership demonstrates how effective collaboration can deliver practical, lasting value - for public sector organisations, suppliers and the communities they serve.



Our relationship with NEPO has been built on trust and collaboration. By working closely together, we've created a framework that delivers a rare win-win for both sides of the procurement process. The support and expertise of the NEPO team have been central to the growth of the service and we wish them every success as they reach this significant milestone in their journey.

**Simon Whittle,**  
Sales Director, Oxygen



Oxygen Finance celebrates FreePay surpassing £3bn in early payments to small and micro suppliers.