



Saving money on every transaction delivers great results for Devon County Council; delivering on the promises made of e-procurement by using the @UK marketplace



The Savings

The cost of a procurement transaction has been reduced by 70% per transaction enabling Devon CC to deliver significant savings in the last 3 years

The Challenge

Following a national strategic e-procurement project 6 years ago, Devon County Council (DCC) embarked on their journey to deliver the recommendations. Leading this initiative was Kevin Balding, a Principal Procurement Officer at the Council. He comments

“We needed a system that could deliver real procurement savings and meet the challenge of integrating with Finest, our internal finance system. Back then a fax was considered electronic, but I could see there was a greater opportunity for efficiencies by using a total electronic purchase to pay solution.”

The key criteria for the project were set, functionality, flexibility and price. @UK met the brief and over the past 5 years have worked continually with Devon County Council to deliver cost effective e-procurement.

The Solution

The key to Devon's success was their approach to supplier adoption. While many other councils have followed a traditional approach of focusing on what they believe to be their 'top' suppliers regardless of the goods or services provided Devon focused on specific highly transactional goods and services they knew particular user groups required. This meant effort was directed to specific suppliers with a known 'market' of users waiting to buy. As a result users were happy to adopt the system as the suppliers and goods and services they wanted were there, and suppliers were similarly pleased as they received the predicted business; a real win-win.

Devon now has a significant number of suppliers on board and are delivering real cashable savings from e-Procurement.

This breakthrough was a direct result of continued focus, dedication, and @UK's support. By working together they used joint messages and targeted suppliers effectively.

Devon CC was realistic, and set clear objectives so their suppliers knew what to expect, and they supported their suppliers migrating across to the new system. They even employed a part time supplier adoption assistant to ramp up their internal and external understanding and compliance.

Changes were made to future tenders to mandate use of the system, and an internal focus meant that maverick spend was renamed "deviant" spend. This helped to make people realise that off contract spend costs time & money and wasn't an activity to be proud of.

Kevin's expertise was evident in his approach. He understood his audience and recognised that getting his colleagues to use the system would support the roll-out.

Stationery suppliers became the first phase of suppliers adopted, closely followed by office furniture, printer cartridges and so on. This focus has meant that all of Devon CC's key suppliers are now using the @UK system and they are realising the benefits.

“If you didn't roll this out properly then both your staff and your suppliers would lose interest after the first year. The real benefits and savings happen from year 2 and beyond”

Kevin Balding
Principal Procurement Officer

Number of transactions processed has trebled over 3 years the system has been live.



Customer Profile

Devon County Council

ORGANISATION

- County Council

LOCATION

- Devon

BUDGET

- £460 million

THE PRODUCT

- @UK PLC eMarketplace

BENEFITS

- All key suppliers using one system and one simple process means speed and efficiency of ordering and invoicing
- Over £70 per transaction saved on electronic versus manual process
- Improved market information and top level spend analysis means tracking what is spent with who, is now possible
- Focus on suppliers which has delivered better planning
- Provides the tools and spend analysis to identify and manage 'Deviant' spend

The Innovation

As a result of the success from using the marketplace, Devon CC saw potential in another area.

"We had focused on changing the mindset from Maverick Spend to Deviant Spend, however during a recent exercise to outsource the councils printing, print costs seemed to fall into a difficult category to track."

Kevin's analysis of this problem led him to understand that print costs were attributed to a range of budget codes which were not necessarily print related.

This meant it was almost impossible to truly identify or manage Devon's print spend effectively.

Devon CC set up a Print framework contract where use of the e-marketplace was mandatory.

Working with @UK to develop the system DCC produced a print quotation template which provides the essential information required by print suppliers to enable them to quote and making the system easy to use by non print professionals.

Use of the @UK Marketplace provides DCC with instant accurate and easily accessible print spend analysis data, and the opportunity to effectively manage print.

Using the system in this innovative way for printing services demonstrates the flexibility that still exists in the system capabilities today, and reaffirms the original choice of the @UK marketplace solution.

Many people don't understand the true costs of running a manual process

Kevin Balding
Principal Procurement Officer

Knowing what you should enforce versus what you should encourage is key

Keith White
Director of Transformation

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