

EPIc Project is a  
blockbuster

## Case Study 06

## A COLLABORATIVE project to improve council procurement is paying major dividends in Cumbria.

Effective Procurement in Cumbria (EPiC) has helped each of the six district councils and the county council meet milestones set out in the National Procurement Strategy, reduce administration costs, achieve economies of scale in the purchasing process and improve the quality of supplies.

In addition, the project has helped improve relationships between the seven participating local authorities and the Lake District National Park – the eighth member of the EPiC project.

EPiC was set up in April 2007 after a thorough exercise had been undertaken to map out the procurement landscape in Cumbria.

The exercise analysed non-salary expenditure, examined the procurement resources and processes of each council and looked at the use of electronic procurement tools.

The results supported the establishment of a business case and a formalised arrangement to procure collaboratively – EPiC.

Cumbria County Council has let and administered an on-going programme of joint tenders including stationery, protective equipment, ICT consumables, electricity and car hire on behalf of the EPiC partners. The work has ensured all councils use common suppliers with agreed prices, terms and conditions of contract securing savings for all participating authorities.

The EPiC partners have also made great strides in the use of e-procurement. Using a 'quickstart' version of the IDeA marketplace, the partners have been able to access and share electronic catalogues relevant to all the joint contracts that have been established, as well as access some national procurement frameworks. The councils have also bought into The Chest – an electronic tendering portal established by the NWCE. All EPiC tenders are posted on The Chest, reducing the cost and time of procurement exercises and standardising all procurement documentation.

The EPiC project's collaborative work on sustainability is also bringing dividends.

Said Alan Ratcliffe, chair of EPiC and Head of Strategic and Commercial Procurement at Cumbria County Council: "We have successfully developed a programme of joint tenders, made significant progress on the use of a range of electronic procurement tools, worked together on the sustainability agenda and are delivering tangible benefits to our authorities and the supply chain. The project demonstrates a clear commitment to effective collaboration."

### What were the risks?

- Failure to communicate EPiC milestones to the wider audience thereby risking lack of buy-in to the project.
- Drop-off in commitment by the participating authorities. This was mitigated by implementation of an effective stakeholder engagement plan.
- Changes in purchasing behaviour and/or the introduction of electronic procurement practices could have exposed certain suppliers, and potentially the local economy, to risk.

### Why was it a success?

- "The project has benefited from whole-hearted commitment of participants and good leadership; projects must be led but require commitment from councils and individuals if they are to achieve their potential," said Alan.

### Hindsight is 20-20 vision

- With hindsight, the scope of the project should have enabled more flexibility. In addition, a mechanism to measure the performance and efficiency should have been agreed at an earlier stage. Consideration could also have been made to widen the project out to other parts of the public sector, such as health trusts and the police, 'though this may have been more difficult to establish.

With the pressure on local government to drive out cashable efficiency savings and deliver improvement in service delivery, collaboration on the procurement of goods, works and services would seem an obvious step to take. However, while such collaboration is theoretically straightforward, the reality takes commitment, leadership and determination.

## Headline news

- Sign-up by the Cumbrian councils to The Chest has led to a much-needed focus on supplier engagement.
- EPiC commissioned academic research into the effect of local government procurement on the local economy. This has significantly informed the partners' view on supplier engagement and helped to identify those areas of expenditure where suppliers could be exposed to risk and provided useful information for EPiC on which it can base future decisions and strategy.
- EPiC has introduced joint tenders for commonly purchased commodities leading to all authorities buying the same goods at agreed negotiated prices at the same quality standards from the same suppliers.
- There's been a reduction in duplication of time and effort and improved use of resources, including e-procurement tools.

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