



The City of Edinburgh Council
Edinburgh, Scotland
www.edinburgh.gov.uk

Industry:

Public Sector

Annual Revenue:

US\$2.4 billion

Employees:

17,000

Oracle Products & Services:

Oracle Sourcing
Oracle iProcurement
Oracle Daily Business Intelligence
for Procurement
Oracle iSupplier Portal
Oracle Consulting

“Oracle’s integrated procurement suite has enabled us to achieve exceptional cost and efficiency savings that exceed government targets while enforcing compliance with national and EU procurement directives.” – Donald McGougan, Director of Finance, The City of Edinburgh Council

The City of Edinburgh Council Saves US\$8 Million in 2007-08 through Intelligent, Automated Procurement

The City of Edinburgh Council provides local government services to 460,000 citizens in Scotland’s capital, which is also home to the Scottish Parliament. With a highly qualified workforce and population growth outstripping the Scottish average, Edinburgh aims to be the most successful city in northern Europe by 2020.

Challenges

- Optimize value of US\$1.4 billion annual spend through smarter, transparent purchasing, electronic procure-to-pay processes, and efficient, collaborative supplier management
- Streamline compliance with government and EU public sector procurement legislation while sharing best practices with other local authorities in line with pathfinder council status

Solution

- Used Oracle Sourcing to negotiate best-value for US\$180 million worth of goods and services each year
- Leveraged Sourcing to run e-auctions for large contracts, rank suppliers, and ensure fair transparent
- Conducted e-auctions totaling US\$60 million per annum and achieved savings of up to 15% on a wide range of commodities
- Used Oracle iProcurement for 500,000 orders per annum, with an average order line of 3.1 items from different suppliers
- Routed 40% of spend online, cut procurement cycles, and processed 2,000 invoices electronically every working day
- Benefited from Oracle iProcurement’s configurable processes to deduct agreed discounts for prompt payment of supplier invoices automatically, without needing manual intervention
- Used Oracle iProcurement’s workflow-routed processes to pay 94% of suppliers within the 28-day government guideline, ranking in the top three Scottish councils for timely vendor payment
- Monitored spend per department, category, and vendor using Oracle Daily Business Intelligence for Procurement
- Cut administration and improved security by routing supplier communication such as orders, delivery requests, invoices, and payment advices through Oracle iSupplier Portal
- Exceeded savings target of US\$6 million for 2007-08 by 30%