



Coventry City Council
Coventry, England
www.coventry.gov.uk

Industry:

Public Sector

Annual Revenue:

US\$482 million

Employees:

17,000

Oracle Products & Services:

Oracle iProcurement
Oracle Financials

“Oracle iProcurement has transformed the way we source, buy, and pay for goods and services. It is a key enabler in our drive to cut overhead, reduce outgoings, and deliver best value to council tax payers.” – Angela Kirby, Procurement Services Project Manager, Coventry City Council

Coventry City Council Cuts Overhead by US\$414,000 by Migrating 24% of Spend to Online Purchasing

Coventry City Council provides local government services to 306,000 residents and businesses in the United Kingdom’s eleventh largest city. A busy commercial center in the West Midlands, Coventry is home to two universities and has its own international airport.

Challenges

- Streamline and e-enable financial and purchasing processes following a government Best Value Review assessment
- Improve budget management and gain advance visibility of spending by introducing commitment accounting
- Cut back-office purchasing costs and leverage best value for US\$258 million annual spend on goods and services
- Reduce volume of items in stock, shorten purchasing cycles, and pay supplier invoices faster

Solution

- Implemented Oracle iProcurement as part of the council’s Modernization and Improvement Plan following a poor Corporate Performance Assessment (CPA) rating in 2002
- Migrated 33% of transactions online within 12 months
- Used iProcurement to purchase low-value, high-volume items such as office consumables and stationery at lowest cost
- Gained accurate, timely details of spend commitment and enabled tighter budgetary control
- Benefited from favorable prices negotiated by the consortia for all local authorities to make significant purchasing savings
- Reduced off-contract spend and use of unauthorized suppliers
- Reduced time required to match invoices to purchases with workflow-routed receipt and approval capabilities
- Increased the number of supplier invoices paid by 3% within the 30-day government guideline to 88%
- Cut purchasing cycles by 20%
- Gained rapid staff acceptance by selecting an intuitive solution and running awareness and promotion sessions
- Saved US\$414,000 over two years in back-office costs
- Increasing transactions via iProcurement from 33% to 50%
- Boosted CPA rating from one star to three stars in five years, helped by the success of the electronic purchasing system