



# South East Business Portal Case Study

## Summary

The South East Business Portal (SEBP) is a web based tool which allows local authorities to upload their current contracts and business opportunities, across all service areas in the south east region. Local authorities can also upload contract documentation, which means that authorities can share the documentation and best practice, which leads to savings in officer time and 3rd party costs.

Launched in 2006, the portal was developed by Due North for Improvement & Efficiency South East (IESE) in partnership with the seventy four south east local authorities.

The portal is free to use by all south east local and fire authority officers and all suppliers.

## Project background

The South East Business Portal was developed in response to National and EU procurement legislation (the amended Public Contracts Regulations 2006 - SI 2006/05 - which transposes into UK Law the European

Union Council Directive 2004/18/EC - OJ L134 30.4.2004, p.114 - the Public Sector Directive).

In addition, the portal meets a number of government agendas, including the Local Government White Paper, the Value for Money Delivery Plan, the Improvement & Efficiency Strategy and Sustainability agendas.

Local authorities face a number of challenges as they move towards a more transparent and collaborative approach to procurement. The South East Business Portal helps them meet not only their efficiency requirements but also the LGA improvement agenda.

The Freedom of Information Act (FOIA) is another key driver behind the portal, insofar as officers can direct queries to SEBP and therefore save time in responding to individual requests. This allows for openness and transparency of contracts.



## Objectives

The key objectives of the South East Business Portal are:

- Realisation of savings to local authorities by implementing more favourable contract arrangements
- Realisation of savings to local authorities through a more efficient procurement process

The key principles behind these objectives are:

1. Supplier facing – allows suppliers to see existing & forthcoming contract opportunities & register onto portal to receive alerts when they are advertised. Also allows for sub-contracting opportunities for SMEs.
2. Sharing of information across all local authorities in the SE region, to enable collaboration & forward planning.
3. Can be used as a contracts store by an authority if desired, but does not have to replace existing arrangements. The business case for doing so could be made where an authority has an existing arrangement with a supplier and the SEBP could provide the same solution at £0 cost, or where no or a less satisfactory solution existed previously.

## Role of Improvement and Efficiency South East (IESE)

The SEBP is funded by IESE for 5 years and sits within the Commodity Procurement Partnership. Following the procurement of the actual software and an initial implementation stage, the portal moved over to operational management by the Berkshire Procurement & Shared Services Unit (BPSSU) in March 2007 and a Business Portal Manager was appointed.

IESE continues to have overall management of the Portal; it is part of the overall procurement toolkit, which also includes the Deal Evaluation project.

## Benefits achieved

### Details & metrics of efficiencies gained

- In order to forecast benefits deriving from the portal, a number of assumptions have been made:
- Number of councils accessing benefit (based on no. authorities registered at any time) by interrogating the SEBP rather than ad-hoc collection of information
- Daily rate of officer time saved
- Volumes of documentation download per year
- Procurement avoided cost (low estimate £5k – source: SECE; high estimate £69k – source: OGC Consortium medium size OJEU tender)
- Piggy backs - contracts per year
- Piggy backs - opportunities per year

- Tender adverts per year - average saving per council per year (£20,000, source: various councils)

By January 2008, the South East Business Portal reported over £2.5m savings. This was through the one off procurement of a portal for the whole region at £10k per authority across the 69 councils currently registered (source: RSe Consulting), reduced advertising costs across the 35 councils that have used the SEBP to advertise opportunities, officer time saving through using the portal rather than having to access a number of sources for the information and in particular where contract records have had documentation attached.

## How have services improved?

As a result of authorities using the portal, there has been increased collaboration across authorities. Time has also been saved by officers logging on to the portal rather than phoning or emailing individuals.

Amy Richards, Senior Procurement Officer at Basingstoke & Deane BC said, “When we were about to start the tender process for our general banking services, attachments uploaded by Spelthorne BC on to the South East Business Portal provided some really useful information, saving officer time.”

Surrey County Council has also saved officer time in responding to FOIA requests by being able to direct people to the portal, avoiding the need to provide the information required each time a request comes in to the council.

Suppliers are also being directed straight to the portal where they have access to opportunities across the region. This also saves officer time as they do not need to send out information each time a supplier contacts them and expressions of interest can all be kept in one place.

Below are some quotes received from local authority officers and suppliers who use the portal.

*“We will use the portal to advertise thereby reducing the size of adverts for tenders in papers.”*

*“We will be directing all suppliers who wish to do business with us to this portal. This should reduce time spent in conversations with suppliers and also gives them access to a wider range of councils.”*

*“As more authorities start to use the portal, there will be efficiency savings as we join existing contracts and use existing documents etc.”*

*“What a fantastic website you have! In my role as Business Development Co-ordinator you can imagine how pleased I was to find such an open authority...how refreshing to see your local authorities together and addressing your procurement as a group, to me it spells efficiency and an open attitude toward procurement.”*

*"I have just registered on the portal to express an interest in one of your building works. I found it very easy to register. Likewise I hope I find it easy in looking for further opportunities and the responses."*

The portal also provides transparency of contracts & opportunities, which will eventually lead to shared procurements and projects.

### Critical success factors & lessons learned

The procurement of the portal was originally part of a larger tender exercise for e-procurement services. A specification for an end to end e-procurement solution was developed incorporating e-tendering, invoice processing and an e-marketplace as well as a contracts portal. However, the result of the procurement exercise, completed in summer 2005, was that no supplier or partnership of suppliers was able to provide an end to end system and contracts were awarded separately for the various service elements.

Once the South East Business Portal was developed, the key to its success has been the early adopters and champions within each sub region (these representatives make up the user group). As soon as those authorities were able to start citing benefits for their authority others started to join in.

The user group has played another important part in the success of the SEBP, insofar as they provide a sounding board and genuine feedback on areas of improvement for the portal. Representatives on the user group are the end users of the system and it is critical to take on board this feedback and work to continually improve the site.

A programme of training has been implemented as it was essential to make sure that users understand everything that the portal can do and get the best out of using it. Providing user guidance notes, however easy to follow and detailed, is not enough and training in small groups or even on a 1 to 1 basis has been vital.

Communication of the developments to and benefits from the Portal has been a vital ingredient. Without the Commodity Procurement and SEBP e-bulletins, it would be impossible to give the 280 registered officers the same up to date information and advice.

Strong working relationships have been developed between the SEBP and Business Link South East as well as the Federation of Small Businesses (FSB). In 2008 and 2009 a series of workshops, called Fit2Supply with Business Link were held. These were enormously successful with many new supplier registrations happening at that time.

Support from the business community and the wider south east public sector is of utmost importance to ensure that the SEBP is recognised as a reliable brand and source of information.

### Problems encountered & how they were overcome

The biggest challenge has been to get all, or at least the vast majority of authorities to start to use the portal. This took a while to overcome, largely down to the size of the south east region and the fact that none of the 79 local and fire and rescue authorities in the region is the same or have the same procurement procedures. Although broadly speaking most authorities can be divided between those that operate a centralized procurement process and those that are devolved, within the two models there will be very different processes.

There has been some resistance to using the SEBP owing to the fact that a number of authorities already have established procurement and advertising processes which they feel work well. Or they already have a contract to provide the same service, particularly the advertising. Demonstrating the benefits of using the portal, the advantages for suppliers and showing that it is the place to go for south east local authority opportunities has been a key factor.

The importance of a clear, detailed, but concise scope and specification is an obvious lesson to be learned. This goes hand in hand with the need for both the end user and the developer to adopt a common language, to ensure the delivered product is what the end user requested in the first place. However, there needs to be flexibility within the product to allow for some improvements and establishing user groups to influence this process is paramount.

In autumn 2008, the SEBP went through a significant refresh, which followed consultation and feedback through users via the user group and the feedback form on the portal itself. By this time a number of SE councils were looking to start using Due North's full e-procurement package, ProContract, so major developments were made to the SEBP to make it fully compatible with the rest of the ProContract suite.

### Project risks

- ➔ Not enough buy in from local authorities
- ➔ Lack of support at senior level within authorities
- ➔ Culture change – officers switching to a new system
- ➔ Failure to collect benefits to demonstrate efficiency savings
- ➔ Competition from other national business portal systems

## Risk management

- Publish a regular SEBP e-bulletin which includes updates on statistics, usage of the portal to date, benefits realised, hints & tips on getting the best out of using the portal and links to guidance notes
- Produce and regularly update PowerPoint presentations to give at meetings with local authorities or to send out to local authority officers upon request & tailor according to the requirements of each meeting
- Rolled out a SEBP benefits survey which is on the IESE website
- Produced an e-flyer and guidance notes aimed at suppliers
- Continued working with SEEDA, Business Links & the Federation of Small Businesses to identify the best way of communicating across to suppliers
- Established a user group & management team
- Developed an online feedback form
- Established a Due North (developer) user group

## Transferability - principles for other projects

There are a number of SEBP equivalents across the country, with other Regional Improvement and Efficiency Partnerships seeing the benefit of investing in a similar solution. It makes sense as many are doing, to ensure 'interoperability' across each so that they could eventually join up and provide one point of access for both the public sector and suppliers.

### Contacts

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