



Richmond Valley delivers measurable savings in as little as six months

Opportunity

When Daniel Parker took on the role of Purchasing Coordinator at Richmond Valley Council in NSW, his priority was to reduce risk in sub-tender procurement, which accounted for almost 73% of the Council's spend.

As a first step, he conducted a review of the Council's purchasing history to identify areas of risk and opportunities for improvement. He was "blown away" by what he found. He knew he needed to bring in a system that would require compliance of Council buyers and provide transparency for managers.

Parker had used VendorPanel to purchase from Local Government Procurement (LGP) panels and decided to build a business case to extend the use of VendorPanel to non-LGP sourcing at Richmond Valley.

"Being able to point to a single system with all the purchasing risks mitigated was a big help in getting my business case across the line. Once approved, the implementation process was seamless," said Parker. Suddenly he had full visibility of decentralised purchasing and, with over 15 buyers across different business units, many of them out in the field, this was a game changer.

"Having the evidence to prove probity and transparency is by far the greatest advantage. 72.9% of our expenditure falls beneath the tender threshold so being able to control, regulate and report on this spend is fantastic."



**Richmond
Valley
Council**

The Richmond Valley Council local government area in New South Wales covers about 3,000 sq km and is home to almost 24,000 residents. Major industries include agriculture, food, manufacturing, and tourism.

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Daniel Parker
Purchasing Coordinator
Richmond Valley Council



Early Results

The organisation is pleased with the results so far: uptake has been smooth, with both inhouse buyers and external suppliers finding the platform easy to use and experiencing their own benefits: buyers can be confident they are compliant, and suppliers have a centralised system that helps them to better manage their quotes.

In six months the Council has been able to measure savings of \$45,000 through cost avoidance.

Gains in efficiency are harder to quantify, but Parker points to the advantages of working with a full source-to-contract solution: "Prior to the Contracts module being used, we were running our contracts off spreadsheets, but now it's one click between sourcing activity and the integrated contract register. Features like Multi-Party Evaluation mean we can keep up-to-date on the most complex sourcing events, and at the end produce a report with all the information needed to take to a Council meeting."

Future Plans

Looking forward, Parker would like to grow Richmond Valley's use of VendorPanel Marketplace as a way to control a higher proportion of Council spend and to drive it into the local economy. Marketplace has already proven to be a favourite with staff members, who find that smart geolocation and map-based vendor selection make it very easy to use. And the mobile app "allows staff to find suppliers and check their compliances in the field, which once again, helps reduce the risk to Council".

With its unusually high level of sub-tender operational spend, and as one of the region's biggest spenders, Richmond Valley has the potential to strengthen its local economy through its procurement. With VendorPanel Marketplace they have access to a growing local supplier database and powerful tool that makes local sourcing easy.

Watch this space!

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About VendorPanel

From strategic sourcing to spot buying, VendorPanel is a full source-to-contract procurement solution. It brings all of your suppliers, including preferred suppliers, shared arrangements and those from the open market, into one secure and configurable platform.

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