

# NHS Wales saves £25 million, creates award-winning AP service and reduced costs with AP Forensics.

## Challenge

With an ambitious digital transformation project to complete, NHS Wales needed a new solution to ensure 11 business units within its new shared service could safeguard supplier spend and consistently follow improved AP processes.

## Solution

Implementing FISCAL's AP Forensics solution to identify issues across AP systems and processes, stop duplicate payments and identify causes of errors.

## Results and Benefits

£25m erroneous payments prevented, improved efficiency and team morale, and enhanced reputation with all stakeholders.

## Introduction.

NHS Wales created a Shared Services organisation in 2012, and in 2015 it began a major Accounts Payable transformation, creating two service centres servicing four NHS trusts and seven health boards.

The NHS Wales Shared Services Partnership (NWSSP) has 120 AP team members who process 1.8 million transactions per year on behalf of the eleven business units, which each retain procurement independence.

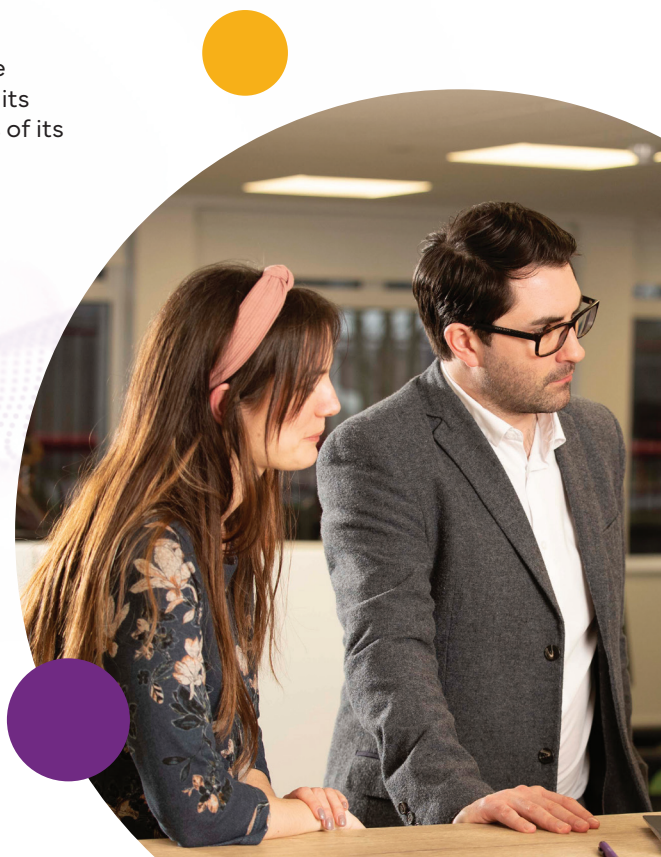


## The challenge.

As part of NHS Wales' bold digital transformation programme, it created a shared finance service for eleven autonomous healthcare organisations. NHS Wales used Oracle E-Business Suite R12 before its AP transformation, but was planning its move to the cloud versions of its ERP, CRM and SCM applications.

NWSSP embarked on the transformation programme in the full knowledge it had significant issues with incorrect invoices. The partnership had identified that a high number of errors were being forced through the process due to:

- A poor optical character recognition rate of 45%.
- Issues with the Master Supplier File with 50% of suppliers able to circumnavigate controls to allow purchases without a purchase order.
- Multiple payment sites where duplicate payments could more easily occur.
- Retrospective purchase orders, often raised to the wrong supplier.
- 60% goods received queries and 30% pricing discrepancies to investigate.
- High levels of internal cross payments with no supporting documentation.



## The solution.

The NWSSP team identified where issues occurred across its systems and processes. They recognised the need for a product to provide payment assurance whilst they undertook operational and organisational changes, and they selected FISCAL Technologies’ solution to provide the technology and intelligence to achieve this objective.

Secure in the knowledge it had reduced the risk of loss during transition, the team was able to focus on building the shared service team’s processes, technology and controls. The team quickly brought about new process improvements and efficiencies that saved both time and money. This enabled it to hit targets within the Public Sector Pay Performance and Practices Guidelines.

“We’ve not only reduced costs but have changed the way the shared service finance function is perceived across the business. Using FISCAL’s software solution, we’ve been able to elevate the AP function to the boardroom.

Prevention is the key: being able to halt issues quickly in invoice-to-pay processing, before payments are made.”

**Regional AP Manager, NHS Wales**

## Summary.

**ERP SYSTEM**  
Oracle

**Number of Invoices**  
1.8 million per annum

**Industry**  
Healthcare

## Benefits.

- Over £25 million in duplicate payments prevented since implementation.
- Winners of Procurement Team of the Year in the 2018/19 GO Awards for the transformation programme.
- Highlighted potential fraud risks in the Master Supplier File.
- Improved productivity and efficiency, with payment assessment process reduced to under an hour daily.
- Eradicated payment run delays due to anomalies.
- Capacity to perform investigative work and challenge existing processes.
- Recording error reason codes allowed the team to identify erroneous payment root causes.
- Rapid query resolution, due to team members reviewing prioritised risks daily.
- Enhanced reputation with stakeholders and improved team morale.
- Received ISO 9001 accreditation, a testament to the quality and consistency of its processes.

