

Aberdeen City Council creates bottom-line value and saves time with FISCAL

Challenge

Orders were being placed that did not follow the well-defined procedures, human error was causing mismatched invoices and delayed payments, and fraud risks were being spotted too slowly to counteract.

Solution

Implementation of FISCAL's software solution gave the team greater control over spend and more time to improve AP processes.

Results and Benefits

Automated identification of payment errors and high-risk transactions, loss prevention of £500,000 and better alignment between AP and centralised procurement.

Introduction.

Aberdeen City Council's AP team processes more than 225,000 invoices a year from thousands of suppliers through Cedar e-Financials using OCR and E-invoicing systems. Although already a dynamic team with strong leadership, defined procedures and integrated automation technologies, it still wanted a tool that helped reduce payment errors and risk while freeing up time to fine-tune other AP processes.



The challenge.

The Council's AP team had three main issues it needed to solve:

- A high number of orders were being placed that circumvented the well-defined corporate procedure of the Council's centralised procurement team.
- Council staff were not always diligent with goods receipting orders or authorising invoices, leading to downstream difficulties for the AP team, such as mismatched invoices that delayed payments to suppliers.
- Being part of the National Fraud Initiative (NFI) required several AP staff members to manage data extracts and uploads as well as trawl through reports. With up to two years between data uploads, by the time any problems were identified by the NFI and communicated to Aberdeen City Council, it was often too late to rectify them.



The solution.

In 2004, the Council's then Head of Finance decided to trial FISCAL's solution and was very pleased with the results.

He said: "We found it a very clever piece of software and we were immediately impressed."

Following a successful 30-day trial, the Council implemented our software as a preventative measure. As a result, they have regularly renewed the licence to ensure continuity of the protection it offers in terms of greater preventative controls and increased visibility into transactions. They continue to derive real, bottom-line value from the software.

In 2011, the team added the Constant Monitoring module, allowing them to set up automatic, regular reviews on all transactions. This gave the team a greater measure of control and insight than ever before.

The AP team also started using the Master Supplier module to audit their file of 60,000 records, which had never previously been cleansed. Interrogating the supplier records beginning with A identified more than 200 suppliers with incorrect or out-of-date information. The team has since used the module to further streamline and improve its Master Supplier File of several thousand records.

Benefits.

- Prevention of a loss of £500,000, thanks to the Master Supplier File module identifying a duplicate supplier.
- Identification of payment errors and high-risk transactions and suppliers in both current and historical AP data, allowing the team more time to focus on improving all aspects of AP.
- 'Outstanding Contribution to AP of the Year' Award at the APN Awards, as well as a commendation for paying 98% of invoices in a 30-day timeframe.
- More control over organisational spend.
- Better alignment of AP function with centralised procurement team.

"We have a highly efficient and collaborative AP team and believe in constantly seeking improvements to our processes. We rely on AP Forensics® to identify any potential payment errors in advance. We run the programme daily and then check reports prior to our payment runs. It is one of our most valuable tools in delivering a best-in-class service for our suppliers."

Garry Stevens
Financial Services Manager
Aberdeen City Council

Summary.

ERP SYSTEM
Cedar e-Financials

Number of Suppliers
23,597

Number of Invoices
225,000 per annum

Industry
Local Government



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FISCAL Technologies provides forensic AI-powered software and services that empower finance teams to protect their organisational spend and eliminate supplier risk.

Our award-winning, cloud-based software is used to find duplicate payments, defend against fraud, automate manual processes such as statement reconciliation, optimise working capital and provide trusted reports. We check every invoice and every supplier, every day.

Leading private and public sector organisations have trusted us since 2007, and we now guard £340 billion in spend per year.

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