

Guy's and St Thomas' NHS Trust achieves 1000% ROI with FISCAL's software.

Challenge

With 360,000 supplier invoices paid a year and only manual or ERP-based checks, GSTT needed a way to proactively protect its working capital from payment irregularities.

Solution

Implementing FISCAL's software solution to sweep historical transactions and check all new invoices to identify high-risk transactions before payment.

Results and Benefits

1000% ROI to date, improved efficiency, fraud prevention, assurance for senior finance managers and boosted team morale.

Introduction.

Guy's and St Thomas' NHS Foundation Trust (GSTT) comprises two of London's best-known teaching hospitals, Guy's Hospital and St Thomas' Hospital. It is home to the Evelina London Children's Hospital and provides community services in Lambeth and Southwark. Collectively, they form one of the largest and most successful Foundation Trusts in the UK, with an annual turnover of £1.6 billion and providing 2.6 million patient contacts a year.



Guy's and St Thomas'
NHS Foundation Trust

The challenge.

Across the NHS, there is a constant need to identify new opportunities for cost savings and process improvements to ensure maximum funds are available for patient care. This requires NHS Trusts to identify supplier payment irregularities. But like most Trusts, GSTT's existing controls for supplier invoices were manual and time consuming.

The Accounts Payable (AP) team processes 30,000 invoices processed per month, of which 55% are received electronically. The rest are paper based, with the AP team manually entering these into their system.

With this volume of invoices and manual processing, the team's reactive checks were no longer adequate. Internal audits had confirmed that some AP processes were inefficient and the Trust was making incorrect payments. It needed a new solution that:

- Identifies all erroneous payments
- Proactively checks payments before they are made, to avoid working capital leaving the Trust only to be recovered sometime later



The solution.

The Trust's Chief Accountant and AP Manager engaged FISCAL Technologies to conduct a Risk Review, in which a sample of AP transactions are run through FISCAL's forensic solution, identifying high-risk transactions and other potential areas of risk. Supplier payments were proactively checked before being issued.

The Risk Review uncovered sufficient duplicate payments that, when recovered, would make the solution self-funding for the initial 3-year service agreement. By using the Trust's actual data, the Risk Review demonstrated, with a high degree of accuracy, the latent value that would be unlocked with FISCAL's solution.

With the business case established, the Trust decided to move away from retrospective auditing to continuous, preventative control. FISCAL's Forensics solution was fully implemented to identify transactions that have a high-risk of being fraudulent, incorrect or in breach of compliance, and alert the AP team prior to payments being made.



Summary.

ERP SYSTEM
Oracle

Number of Suppliers
9000

Number of invoices
360,000 per annum

Industry
Healthcare

Benefits.

- Rapid return on investment, with a long-tail of ongoing process improvements and protection from risk and fraud that has exceeded the original business case expectations.
- 1000% ROI to date, with 100% ROI within the first six months, through the prevention of duplicate payments and process improvements that deliver significant monetary and time-saving benefits.
- Recovery of historical overpayments, which funded the purchase of the software license, thanks to a one-off sweep through previous transactions.
- Checking of all new invoices overnight, with high-risk transactions flagged up for investigation before payments are made.
- Proactive approach means that working capital remains within the Trust, benefitting their patients.
- Identification of risky transactions that had previously been missed.
- Assurance for senior finance managers that there are adequate controls in place to protect the Trust's funds.
- Improved efficiency and boosted morale within the team and the Trust.

"FISCAL's solution delivered a rapid and significant return on investment. The Trust now has a proactive solution to safeguard its funds, and I am very happy with the results and assurance this provides."

Catherine Eyre
Chief Accountant
Guy's and St Thomas' NHS Trust