

Islington Council prevents AP errors and reduces costs with FISCAL Technologies

Challenge

Pressures to pay suppliers earlier and fewer resources meant Islington's existing systems were not able to catch all overpayments. It previously used external auditors to investigate payments, but this cost valuable time and money.

Solution

Daily use of FISCAL's highly specialised AP audit software provides a sophisticated solution which helps protect against duplicate payments, supplier fraud and compliance issues.

Results and Benefits

Best-in-class AP processes and payment analysis, with significant time and cost savings. All invoices and payments are thoroughly checked, past overpayments have been recovered and future errors are proactively avoided.

Introduction.

Islington Council is a local authority for around 190,000 residents in North London. With high volumes of invoices to pay and a long list of suppliers, the council knew that even the best accounting systems and internal procedures couldn't necessarily prevent all duplicate payments and errors. However by using highly specialised accounts payable audit software daily, Islington can catch these errors early, save time and improve cost-efficiency.



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The challenge.

As with many local authorities, Islington has a large master supplier file and manages tens of thousands of supplier invoices each year. Nationally, duplicate payments make up between 0.5% and 0.1% of all annual invoice payments, meaning that one in 1000 payments could be a duplicate. The council was rightly concerned about the risk of overpayments and fraud.

Since 2008, Islington has been under increasing pressure from central government to pay suppliers quickly, typically within 10 days, while simultaneously maximising public funds.

To help meet these objectives, its main goals were to:

- Clean its extensive master supplier file
- Identify and recover past duplicate payments
- Catch future duplicate payments before they were processed and paid

The Accounts Payable (AP) team recognised a need to improve the existing systems and processes. With this in mind, Rezan Watts, the council's Payment Services Manager, was keen to identify a software solution that would become part of its payment processes, reinforce its own audit checks, and help develop best-in-class accounts payable practices.



The solution.

Islington installed FISCAL's industry-leading accounts payable audit software, to help strengthen its existing payment controls. Thanks to highly sophisticated unique search algorithms and pattern-matching techniques, the software identifies duplicate payments, supplier fraud and errors.

It has the ability to work alongside any accounting system, without requiring a lot of IT resources as it does not need a direct interface with the council's existing accounting software.

Islington was impressed that the software was simple to install and use, with no need for extensive training. Additionally, as it takes less than an hour to highlight real results, the council uses it every day to provide the greatest protection.

FISCAL provides the council with the right solution at the right price, which is particularly important in the current economic climate. FISCAL's Forensic solution is used and trusted by more than 50 local authorities in the UK.

Benefits.

- Peace of mind that invoices and payments are now scrutinised by over 47 different checks.
- Protection of public funds, as a result of ensuring working capital is managed well.
- More detailed payment analysis, helping Islington identify a number of historical payment errors which it was able to follow up and recover.
- Avoidance of accidental duplicate payments, supplier fraud, invoicing errors and compliance issues.
- Best-in-class AP processes and procedures, coupled with the ability to make ongoing improvements.
- Reduction in time spent, and increased cost-efficiency.

"FISCAL has helped identify areas in our process that are working well and areas that can be improved. It pinpoints certain suppliers that need to be reviewed and most importantly, in a short space of time, generated savings to cover the cost of the software several times over."

Rezan Watts,
Payment Services Manager,
Islington Council

Summary.

ERP SYSTEM
e-Financials

Number of Suppliers
16,000

Number of Invoices
110,000 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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