

Worcestershire County Council recovers over £180,000 with Spend Analysis and Recovery Service

The requirement

Worcestershire County Council, like all other councils, is operating in a climate of continuing budget cuts. Having undertaken a recovery audit of accounts payable some years ago, the council felt it was the right time to commission a further review to identify and recover any overpayments to suppliers and provide advice on improving their current processes.

The scope of the project included a detailed examination of all expenditure with third parties, to identify duplicate payments, overpayments, credit notes not processed and unclaimed VAT.



The solution

Worcestershire County Council sought an experienced consultancy to undertake the project with four objectives in mind:

1. Minimal impact on the day-to-day routine of the accounts payable team within the council
2. Maximise recoveries
3. All communications with staff and suppliers would be handled with complete professionalism
4. The project be undertaken on a 'performance-related' basis

Using the Crown Commercial Service Spend Analysis and Recovery Services agreement, the council engaged purchase ledger review specialist, Meridian via a direct award.

The results

The project was completed within the time scale anticipated and was managed by a single point of contact with whom Meridian's account manager liaised throughout the recovery phase. Meridian provided guidance to support data extraction, undertook a thorough investigation of all potential claims and sought approval before taking any claim to a supplier.

Meridian provided a weekly report with full detail of the status of every claim signed-off by the council.

The comprehensive report provided at the conclusion of the project gave a summary of the findings and recommendations, which could be adopted to further strengthen control of the payment process.

"We are very pleased with the manner in which the entire project has been undertaken. Engagement was made simple by use of the direct award, facility available under the Spend Analysis and Recovery Services agreement, which was completed using a straightforward call-off form.

The data extract process and recovery phase called for significantly less staff time and resource than we anticipated. Recoveries of duplicate payments were lower than expected, as a consequence of our use of specialist pre-payment checking software.

However, Meridian added significant value to overall recoveries by their detailed analysis of statements and complex supplier accounts. Meridian's account manager communicated with our staff and suppliers in an entirely professional manner.

We would be happy to engage Meridian for a further audit and would recommend them to other councils considering recovery audit"

Ruth Minors, Accounts Payable Officer, Worcestershire County Council

For further information:

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