

## Case Study

# SHARED SERVICE CENTRE

## Spend Recovery Audit



### Over £1M secured by a UK Shared Service Centre through Spend Recovery Audit.

Our client is a large UK-based Shared Service centre for a public body. Focused on innovation to drive efficiency, they deliver a wide range of high quality, professional, technical, and administrative services to their customers.

They provide a range of services for the public sector including Accounts Payable, Audit and Assurance Services, Procurement Services, and Legal & Risk Services. With over 12 locations, they manage a huge volume of services for the public service and deliver across the UK daily.

### The Challenge :

Having previously undertaken a Spend Recovery Audit, this large UK Shared Service Centre identified the need to do a further project as part of an ongoing process improvement. For organisations processing large volumes of invoices, undertaking an external spend recovery audit (SRA) is best practice for recovering historic overcharges, providing insight into processing efficiency, and uncovering other P2P opportunities.

### Requirements :

For the 'Spend Analysis and Recovery Services' framework included:

- A fully outsourced service.
- A secondary audit of previously reviewed data.
- Evidenced track record of successful service provision, in particular demonstrating strong project management skills and reporting procedures, to include;
  - Minimal impact on internal staff.
  - Regular reporting/communication throughout the project.
  - Transparent and collaborative style of delivery.

### At a glance!

#### ISSUES

- Large volumes of invoice processing – over 1 million per annum.
- Inability to recover historic overcharges from previous operations.
- Lack of insight into the effectiveness of current processing capabilities.
- Difficult to plan without the requisite P2P insights.

#### IMPACT

- Total recoveries were over £1M, with average recovery values of £2,200 per item recovered.
- The draw on internal resources was lower than the client expected.
- Conversion rate of items put forward in actual recovery was over 70%.
- The 'secondary audit' recovered more than the previous consultancy found in this data.



Glantus' expertise in this type of project was quickly apparent and strong project management, and a client-focused approach created a platform for this highly successful project.

#### Head of AP

Shared Service Centre

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## Solution :

Glantus undertook a secondary audit, which was based on a performance-related fee basis i.e., 'no recovery, no fee' and focused on many core areas of the client's current processing practices. Regular external reviews were then agreed to minimise risks and to confirm the benchmark for processing efficiency.

## Benefits :

### DUPLICATE PAYMENTS AND MISSED CREDITS

Glantus' secondary audit took a deep dive into the client's data to uncover duplicated payments and credits not already processed.

The recoveries were in line with the original projections and the 'Net benefit' (after payment of fees) was significantly higher than for the previous project.

### UNCOVERING FURTHER INNOVATION OPPORTUNITIES

The nature of the secondary audit enabled the client to discover and plan other recovery opportunities within their purchase ledger transactions. This empowered the client to plan and make further improvements to their P2P processing.

### MINIMAL IMPACT ON ALL STAKEHOLDERS

Both the client resources and suppliers were engaged in the recovery process with a "low touch" approach – meaning that there was extraordinarily little disruption to their day-to-day activities during and post the secondary audit.



The relationship established with Glantus has been one of the best and most effective I can recall, having worked with many suppliers

### Head of AP

Shared Service Centre

### Get in touch

Andy Cornish  
Head of Sales, Public Sector  
07876 525001  
info@recoveryaudit.com

[recoveryaudit.com](https://www.recoveryaudit.com)