

The UK e-Invoicing Advocacy Group was set up in 2010 as a self-funded initiative of industry associations, public sector bodies and solution providers to promote e-Invoicing in the UK public and private sectors. Our mission is to help UK public bodies and commercial enterprises of all sizes save money and understand the benefits of replacing paper invoices with wholly electronic transactions.

It is our intention to champion and advocate widespread adoption of electronic invoicing between buyers and sellers of goods and services. The UKeAG promotes the benefits of e-Invoicing to the UK Public Sector and the wider UK economy, meeting regularly at the Houses of Parliament and the Department for Business. As the official UK forum on e-Invoicing, sponsored by the Department for Business, we delegate the UK participants that provide expert input to the current EU Commission Multi-Stakeholder Forum. Our UK delegates lead the working group on best practice within EU Commission Forum and our participation ensures that emerging EU policy and regulation supports UK public and private interests.

We are committed to help commercial enterprises and public bodies of all shapes and sizes to understand the business case and benefits for electronic invoice adoption, in particular reducing the administrative burden on small and medium-sized enterprises and to promote a lively and innovative UK market for the provision of relevant solutions and services. The benefits of electronic invoicing are clear;

- *Substantial cost savings through reduction in manual work, material and transport costs.*
- *Additional cost savings from fraud and loss prevention, and lower auditing costs for trading parties and tax authorities.*
- *Enabling of accelerated payments, improved cash flow and reduced credit losses for both large and small enterprises. E-Invoicing could unlock the potential for new collateralised lending services at a time of subdued growth in traditional credit products, especially for SMEs.*
- *Raising productivity and customer satisfaction in both the public and the private sector, and improving UK competitiveness overall.*
- *Enabling workforce transition to more productive activities and a learning vehicle to increased use of electronic practices throughout the public and private sectors.*
- *A direct contribution to carbon savings and resultant environmental gains*

Through this series of case studies the UK e-Invoicing Advocacy Group aim to show that electronic invoice automation is not a new concept, and that best-in-class organisations are gaining competitive advantage.

## London Borough of Hammersmith & Fulham aiming for six figure savings

With 140,000 invoices to process from over 8,500 different suppliers, the London Borough of Hammersmith & Fulham (LBH&F) had been considering ways to simplify its payment methods for some time.

E-invoicing is an electronic service which facilitates the exchange of information between buyers and suppliers. It allows invoices and related documents to be issued, received and reconciled electronically and can be deployed within either an accounts payable or accounts receivable environment.

“We’d looked at a system based on scanning in paper invoices, and an electronic method that required suppliers to pay for the service, but when we saw what RBS had to offer we felt it was well ahead of anything else on the market”, said Mark Cottis, LBH&F’s E-procurement Consultant.

RBS’s web-based, paper-free service enables LBH&F and their suppliers to exchange information instantly and securely – without the need to change their existing technology. For LBH&F, RBS’s e-invoicing system also helps to reduce costs.

“Our suppliers are very diverse – from sole traders to large businesses – so we needed a one-size-fits-all solution that also had the flexibility to match their needs”, Mark added.

After an introductory letter from the council’s payments team, RBS took responsibility for transitioning the suppliers from paper to electronic invoicing.

“There was a little bit of reluctance initially, but they came on board once they could see the benefits: free automated invoicing that saves them time and can result in them getting paid quicker”, said Colin Lowen, RBS’s Client Relationship Manager for the Council.

### Summary...

London Borough of Hammersmith & Fulham received 140,000 paper invoices from 8,500 suppliers.

By removing manual tasks and wasteful paper their invoice processing costs have been reduced.

The e-Invoicing project initially enrolled big, standardised suppliers and the borough is now targeting small volume suppliers to reduce the amount of paper and associated storage.

e-Invoicing allows the borough to be more environmentally friendly but it is also aiming for six figure cost savings.

The biggest benefits of RBS's web-based system are being felt inside LBH&F's finance directorate, with an increasing number of suppliers now moving from paper to e-invoicing, and by doing so improving efficiency and reducing errors.

*"What RBS offered was well ahead of anything else on the market."*

**Mark Cottis, e-Procurement Consultant London Borough of Hammersmith & Fulham**

"With invoices automatically matched to purchase orders, there is less chance of quantities or rates being mis-keyed, making the whole process more secure and reliable", commented Cathy Oatway, LBH&F Payments Services Manager, "and less paper means lower postal and transport costs, saving time and money as well as reducing our carbon footprint."

Although RBS e-invoicing is a new product, and LBH&F has a variety of payment systems that include non-PO-related orders, the implementation process was smooth, and has been tailored by the RBS team to suit the client.

"We started with the big, more standard suppliers like our stationery provider, and as time moves on we will gradually bring the rest onto the e-invoicing system, with a target of realising six-figure annual savings" said Mark Cottis. He adds that, "with councils seeking to maintain frontline services while also keeping council tax bills down, efficiencies from programmes such as RBS e-invoicing are becoming more and more important".

The UK e-Invoicing advocacy group meets on a regular basis and operates in an entirely non-competitive, cooperative space. Our meetings are inclusive of both public and private sector stakeholder interests. We operate in an open, transparent and informal manner.

Whilst addressing an area requiring strategic transformation, the group adopts scoped and realistic objectives. Initiatives undertaken are agreed among the group to be concrete, feasible and effective and their execution always closely monitored.