

Public Sector e-Invoicing

Cutting Costs & Improving Service

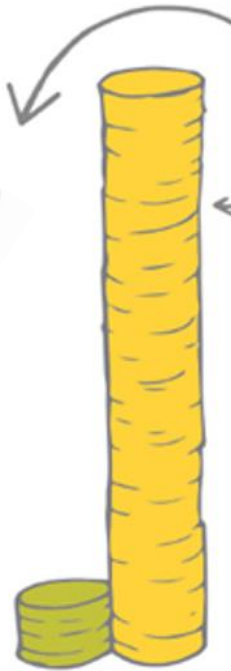


Simple Business Case for e-Invoicing



To process an e-Invoice takes a best-in-class organisation² ...

3.3 DAYS



It costs just £4.77* to process an e-Invoice or... £13.98 to process a paper invoice¹

1

2016

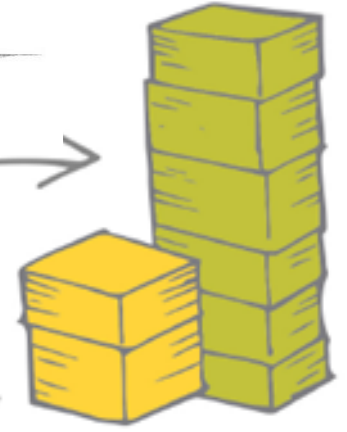
Public Sector bodies must be able to accept e-Invoices from Suppliers

13.5 DAYS

... whilst this the average without e-Invoicing³



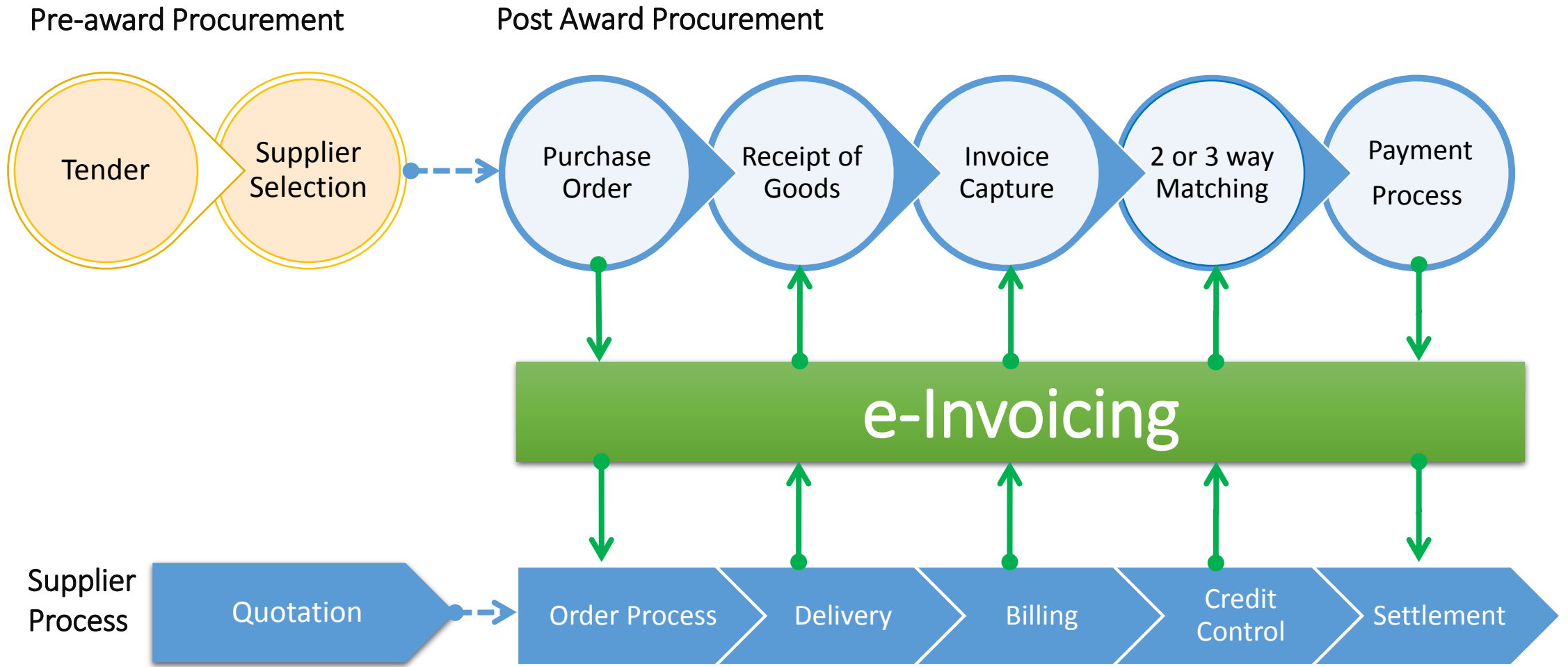
42708²
 e-Invoices processed per FTE per year or...
 25452 paper invoices processed per FTE



By switching from paper to e-Invoicing, every...

60,000
 Supplier Invoices
 could save you
£1½
 Million¹

e-Invoicing enables e-Procurement



Lowering the cost of Invoice processing

Paper Process*

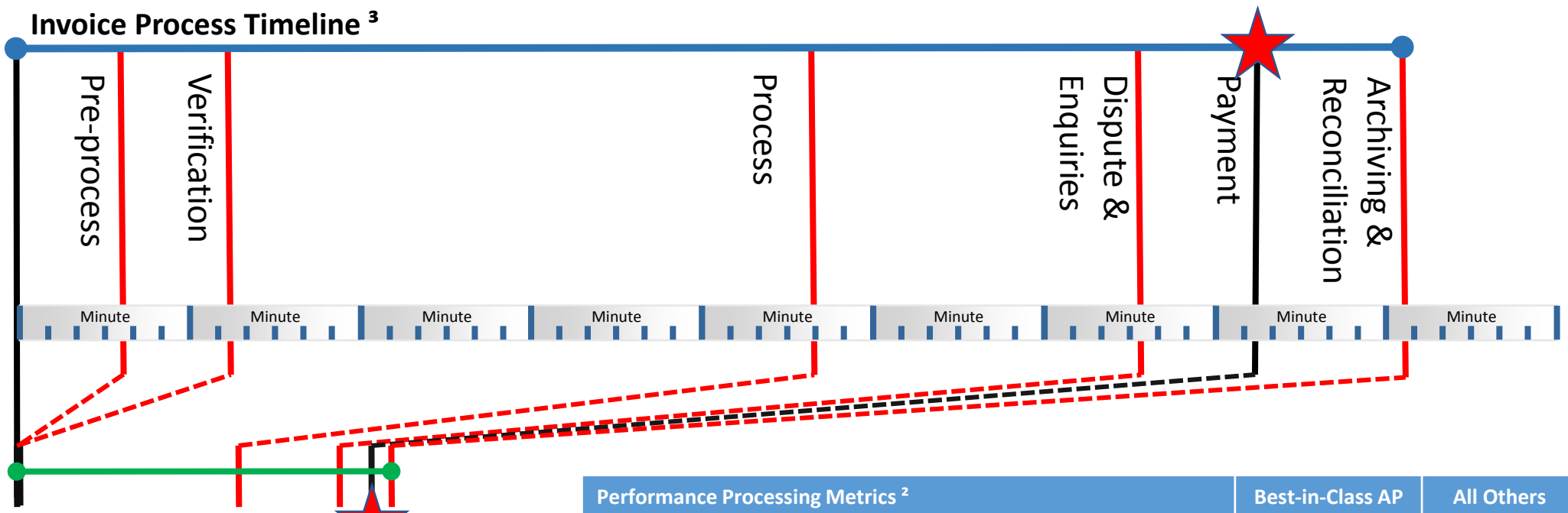


E-invoice*



Full-time Equivalent (FTE) efficiency impact

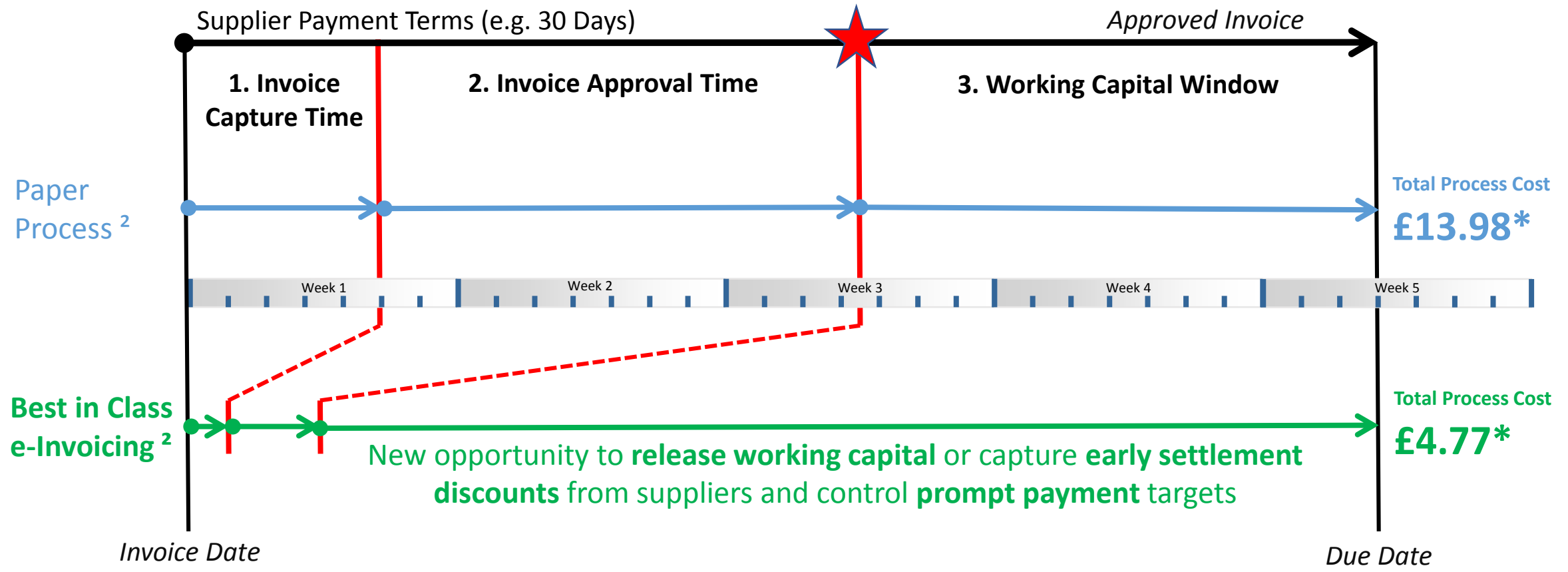
Paper/PDF Process



e-Invoice Process

Performance Processing Metrics ²	Best-in-Class AP	All Others
Number of Invoices processed per FTE per month	3,559	1,335
Percent of Invoices processed straight-through	44.2%	18.4%
Percent of Suppliers that submit e-Invoices	41.8%	14.5%
Invoice exception rate	7.7%	16.1%

e-Invoicing Key Measurements



e-Invoicing benefits your suppliers

1. Prompt Payment

- Visibility of Invoice delivery †
- Collaboration over invoices †
- Quicker Invoice Approval
- Faster Access to Cash †
- Access to Invoice Financing †

2. Strong Relationship

- Part of your supply chain
- You want to buy from them
- Integrated into your process
- Ease of doing business with you
- Increase sales opportunity

3. Cost of Billing

	Paper Invoice	e-Invoice *
Delivery	£3.10	£0.00
Credit Control	£3.98	£2.70
Archiving	£1.74	£0.63
	£8.82	£3.33

Supplier Saves

£5.49*

e-Invoicing Check-list

Feature	Connection			Post & Paper
	Network Provider	Electronic Data Interchange	Email with PDF Attachment	
No Mailing Costs for Supplier	† ✓	† ✓	✓	
Order to Invoice Flip	† ✓			
Visibility in Supplier Portal	† ✓			
Fully Automated	✓	✓		
No Manual Intervention by Buyer	✓	✓		
Control over Content	✓	✓		
Inter-Network Connectivity	† ✓			
HMRC VAT Compliant	✓	✓	✓	✓

Core benefits of e-Invoicing

Save

- Less FTE time in process
- Reduce Errors & Duplications
- Collect early payment discounts

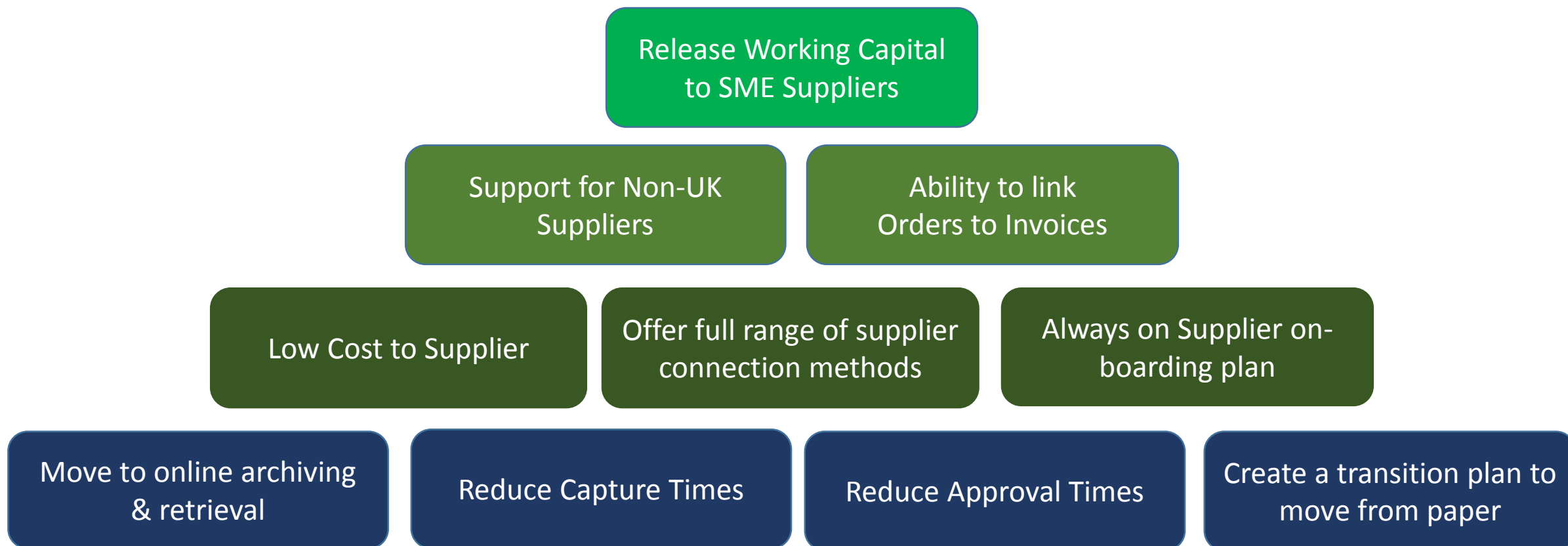
Social

- Prompt Payment
- Strengthen small supplier partnerships
- Release capital early to suppliers

Secure

- Greater visibility of spend
- Reduce opportunity for fraud
- Higher levels of compliance

Foundations for a strong e-Invoicing strategy





Your next steps towards e-Invoicing

1. Develop an internal business case for adoption
2. Plan your transition from paper to electronic invoicing
3. Pilot solution with target group of friendly suppliers
4. Set realistic adoption timeline using a phased approach
5. Roll out e-invoicing across your suppliers in phases
6. Build into your terms & conditions of business



Department
for Business
Innovation & Skills




Find Useful Resources

[UK National E-Invoicing Forum \(UKNeF\)](#)

References

- * All figures are based on a € to £ conversion rate of 0.79. Source: Page 52, E-Invoicing, E-Billing 2014, Key stakeholders as game changer 6 May 2014. Final figures will depend on the solution adopted
- † Functionality and costs will depend on the final e-Invoice solution adopted
- ¹ Parliamentary Enquiry – Electronic Invoicing the next steps towards digital government
- ² Ardent Partners - ePayables 2013 - AP's New Dawn
- ³ AP Benchmarking Report for Lewisham Council 2005

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