

working in partnership



Crown
Commercial
Service
Supplier



Central Bedfordshire Council

Achieving savings and efficiency improvements

Over £500,000 of value has been returned to the council over the last 18 months.

Background

Over the course of the last 18 months, Meridian V4 Services has been working with Central Bedfordshire Council (CBC) to identify and recover funds via profit recovery reviews.

The initial project scope was to undertake a purchase ledger review (recovery audit) to identify; duplicate payments, credit notes not processed and any other opportunities to recover funds due to the council from suppliers.

The project exceeded initial council expectations and achieved over £100,000 of cash recoveries.

Invest to Save

The report produced at the end of this initial review discussed project findings and highlighted additional opportunity areas to generate further savings for the council.

As a direct result of the success of the purchase ledger project, the council re-invested some of the cash savings into a number of these areas; beginning with a review of telecoms (landline) expenditure. The savings realised over the course of the additional 'deep dive' audits undertaken (taking into account Meridian's fees and any internal costs) and the manner in which Meridian operate, has enabled the council to fund further pieces of work, whilst generating far more significant savings.

Summary

The additional reviews undertaken, have enabled Meridian to recover the council far more significant funds than the purchase ledger review delivered in isolation (over £500,000 of value to date).

The success of the audits so far has already led to two further cost areas being identified- utilities and telecoms (mobiles).

Success of Purchase Ledger Review led to

Contract Compliance - Telecoms (Landlines) Audit

- **Scope.** Undertake forensic examination of the council's Telecoms expenditure to identify and recover;
 - historic overcharges and
 - highlight forward savings opportunities
- **Results.** Significant rebates and forward savings achieved (six figure recovery sums). Resolved some long standing issues, which actually improved the relationship with the supplier.
- **Success of this led to another cost saving area...**

Contract Compliance - IT License Expenditure

- **Scope.** A financial audit scrutinising actual expenditure focussing on price inconsistencies (this was not an audit of license usage). Reviewed invoices (including unit costs) which required access to contract and pricing information.
- **Results.** Significant recoveries achieved (large five figure sum), as well as reassurance that contractual terms otherwise correctly applied.
This was not an audit of usage.
- **Success of this area led to another cost saving area...**

Invest to Save

Contract Compliance - Further Audits

Further areas for review identified;

- **Telecoms (Mobiles) Audit**
 - Success of landline review, led to Meridian being invited to add value around mobiles.
- **Utilities Audit**
 - Success of work at a London council supported CBC's decision to discuss requirements in this area.

Contract Compliance - Temp Agency Staffing

- **Challenge.** Several previous attempts by the council to reconcile management information (website) against invoices and payments made, had not been completed.
 - **Results.** We were able to fully reconcile the MI.
The second output provided valuable information, which CBC confirmed has assisted future contract management.
- Project still currently in progress.**

For further information

Please visit <http://ccs-agreements.cabinetoffice.gov.uk/contracts/rm1037>

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