

Kreston Reeves LLP Executive Board Report Supplier Contracting & Payment Processes Rectification Plan

Our Commitment / Aim versus recent performance

Our aim is to pay 80%+ invoices within 30 days and 95%+ invoices within 60 days and both the Finance Department and Budget Holders endeavor to achieve this.

Performance over the past year:

	30 days	60 days
6 M/E November 2020	72%	90%
6 M/E May 2021	78%	92%

Proposed Action Plan

1. Replacement IT Platform for processing, approving, and paying invoices.

We have identified a general gap in the capability of our existing finance IT platform and a project is currently underway to replace our existing platform with MS Business Central, a market leading product.

The expected "go live" date of this system is in March 2022.

In terms of Accounts Payable processes, the new platform shall represent a step up in functionality and includes the use of OCR technology for scanning invoices and a more integrated and efficient approval process. Once operational, the system is expected to materially reduce the time to both process and approve invoices.

2. Budget Holder & Supplier response times - January 2020

Concurrent to Action Plan 1, Finance shall undertake an audit of response times of Budget Holders / suppliers, in order to identify potential areas of latency in the approval process.

The audit is timetabled to take place in January 2022.

The finance department shall feedback the results and recommendations to Budget Holders and (where necessary) Suppliers and shall closely monitor progress on delivery of recommendations, in the weeks thereafter.

3. Budget Holder & Supplier response times + Post go live System Review

A further detailed review shall be carried out in the Summer of 2022 in order to assess the performance of the new IT system and to reassess approval response times. Recommendations from that review shall be worked on, as soon as practical and if deemed necessary a detailed action plan shall be rolled out to all relevant stakeholders and where appropriate the use of SMART employee/partner objectives or detail SLAs maybe considered.

Reporting

The Finance Director shall provide updates on the progress of the Action Plan to the Executive Board, monthly and until such time as our Commitment has been met.

The statutory six-monthly reports on Payment Practices shall be reviewed by the Executive Board prior to being published and, if at any point, our Commitments have not been achieved, then a new Action Plan shall be drawn up.

A handwritten signature in black ink, appearing to read 'M. Bridger'.

Mark Bridger
Finance Director