



Case Study

London Borough of Islington

Delivering on a prompt payment promise by implementing a 'no paper' invoice policy.

basware
Now it all just happens™

✓✓ We pay 95% of suppliers within 30 days and we wouldn't be achieving those targets without Basware. We've seen a significant improvement and it's part of our obligation to support the local and national economy."

Bill Cavanagh,
Payment Service Manager, Islington Borough Council

[Read the full story](#)



Industry: Governmental/
Public Sector



Regions: UK



Solutions: e-Invoicing Network



✓✓ As supplier relationship management is part of our everyday activity, this exercise is an opportunity to stimulate thinking and examine the ways we procure and pay for things.

Bill Cavanagh, Payment Service Manager, Islington Borough Council

When the Islington Council decided to modernize its payment processes, aiming to offer suppliers more options, it was pleasantly surprised by the diverse range of businesses eager to participate. As a result, the Council can now expedite invoice approval times without compromising control, and suppliers can enjoy the advantages of early payments.

Introduction

Islington Council, serving as the local authority for the London borough, delivers more than 600 services to its residents. The majority of the council's funding is sourced from the national government, with Council Tax contributing to just 11% of its income. Despite significant funding cuts, the council remains dedicated to providing efficient and value-for-money services.

Challenge

Committed to ensuring the prompt payment of suppliers, particularly smaller businesses vital to the UK economy, Islington Borough Council prioritizes settling 95% of invoices within the agreed-upon terms.

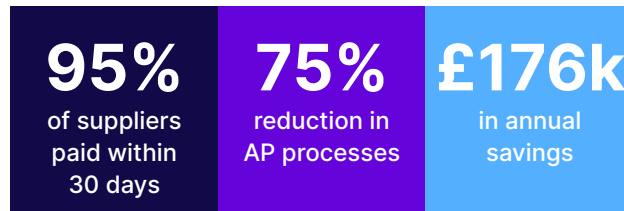
With a policy of paying local suppliers within 10 days, the council, recognizing its role as a prime funder in the supply chain, sought to innovate its payment processes. This initiative aimed to enhance supplier choice and elevate the performance of its Accounts Payable function.

Having a longstanding relationship with Basware through its Scan & Capture and e-invoicing solutions, the council decided to embark on a project to engage its diverse supplier base.

✓✓ **We have seen a broad cross section of companies express interest and opt-in for a variety of individual reasons – from sole traders to multinational retailers.”**

Bill Cavanagh, Payment Service Manager, Islington Borough Council

Optimizing the process



Solution

Basware provided a seamless and easily deployable payment solution. Payments can be issued swiftly and seamlessly post-invoice approval. This solution empowers the Council to pay its suppliers promptly – in as little as two days – utilizing secure online payment technology for frictionless transactions.

Suppliers, in turn, accept a small discount from the invoice value for early payment. The Council strategically segmented its supplier base into tiers based on expenditure, choosing to invite suppliers, particularly tier-one suppliers, to participate in the Basware solution.

Results

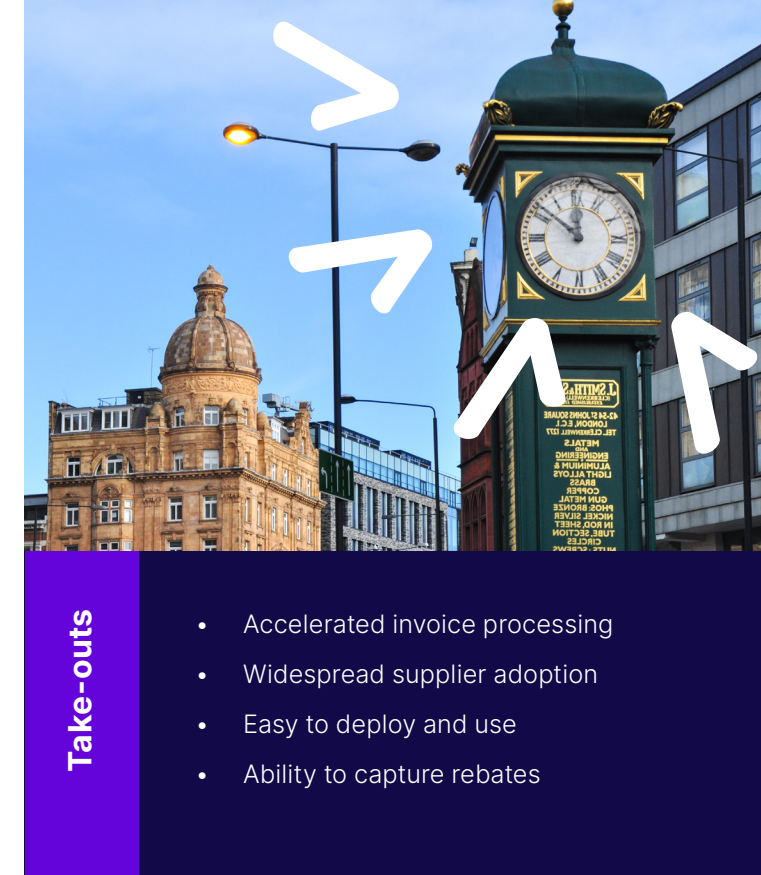
In a landscape where cash flow is crucial for organizations of all sizes and industries, Basware's solution aligns with their suppliers' need for flexibility.

Islington Borough Council has successfully captured rebates, bringing its Accounts Payable function a step closer to achieving cost-neutrality. Leveraging technology to automate and manage the rebate process has not only streamlined P2P performance but also provided valuable insights, fostering further momentum for process improvement.

The Council's commitment to prompt payment, driven by principles of good corporate citizenship, positions it as an innovator. By helping suppliers optimize their cash flow, the Council aims to benefit the local economy and community. It envisions this mechanism for prompt payment becoming the norm in the marketplace, especially as regulatory impetus increases.

✓✓ **It's vital to clearly articulate the proposition and benefits to the supply base. Basware helped us to achieve this with a tried and tested engagement approach including marketing materials and messaging."**

Bill Cavanagh, Payment Service Manager,
Islington Borough Council



Contact us

More Case Studies

ABOUT BASWARE Basware is how finance leaders in global enterprises can finally automate their complex, labor-intensive invoice processes and stay compliant with regulatory change. Our AP automation and invoicing platform helps you achieve a new level of efficiency – in a matter of months – while reducing errors and risks. We bring a unique combination of true automation, complete coverage, and deeper expertise to make it all just happen for our customers. That's why the world's most efficient AP departments rely on Basware to handle millions of invoices per year. **Basware. Now it all just happens.** ©Basware 2023

Visit us: **Basware.com**



basware
Now it all just happens™