Appendix A

Proposed AP Strategy

The below document provides the detail on the Accounts Payable Strategy being proposed:

The below diagram outlines the stages of the strategy:

Stage 1
- Purchase Proactis and Basware

Stage 2
- Embed Proactis into daily routines
- Build Basware Solution

Stage 3
- Onboard existing Basware Suppliers
  - 'Quick Wins'

Stage 4
- Design and implement process for one off suppliers

Stage 5
- Review remaining supplier base for best practise

Stage 6
- Review the AP strategy

The Strategy Explained:

Stage 1 (2016/17)

1. Purchase of the Proactis and Basware solutions:
    a. This ensures we have the building blocks to put the strategy into action.

Stage 2 (2017/18)

2. Implementation of Proactis, which will include:
    a. Software integration into Agresso
    b. Design of processes / working practises
    c. Training
    d. Communication to all relevant parties
    e. Enforcement of no purchase order no payment
3. Implementation of Basware

Stage 3 (2017/18)

4. The AP team will look to on-board the Basware suppliers that are already present and active on the market place:
    a. 9 of MCC's current suppliers have catalogues on Basware – this will equate to approximately 4,500 invoices per year
    b. A further 5 of MCC's current suppliers use the portal to receive orders and produce invoices – this will equate to approximately 500 invoices per year.
    c. A further 29 of MCC's current suppliers are registered and ready to use the portal – this will equate to approximately 9,000 invoices.

Stage 4 (2017/18)

5. Design and implement process using Basware for one off suppliers to submit invoices directly.
    a. In the first 9 months of 2016/17 there were 3606 one off payments.

Stage 5 (2018/19)

6. Review remaining supplier base for best practise. Each supplier to be reviewed to establish the best route for processing e.g.:
    a. Periodic Payment
    b. AP Interface
    c. Purchase Card
    d. Basware
    e. Consolidation
    f. Direct Debit

Stage 6: (2019/20)

7. Review the AP Strategy
    a. This will constantly be reviewed to ensure it remains appropriate.
    b. The initial contract with Proactis will be for three years. At the end of this three year period there will be a requirement to review if this service will be required for the future.
    c. External factors will impact the strategy:

i. Software Developments
ii. Welsh Government Strategy
iii. Monmouthshire Digital Strategy
iv. Etc.

The proposed strategy covers a three year period.