Accounts Payable

Service Definition

G-Cloud 15

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1 Overview

Our Accounts Payable solution provides a sophisticated orchestration layer designed to deploy market-leading ERP technology to legacy and ageing financial systems - without incurring the cost and risk of a full ERP replacement. The Capita AP orchestration layer manages and coordinates local authority AP processes by integrating disparate systems, automating workflows, and ensuring a seamless flow of data. This works in conjunction with rather than replaces client systems and ensures that all data sharing, validation, and cleansing is secure and fully auditable. The service is accessed via whatever interface best meets client requirements (SFTP, VPN Tunnels and APIs). Data sharing and access arrangements are subject to rigorous security protocols and comply with industry security standards.

The orchestration layer enables advanced process automation and enhanced invoice matching, streamlining the journey from invoice receipt through to payment posting. By automating these steps, the solution significantly reduces the manual effort traditionally required within AP teams, improving performance and streamlining processing times across Council departments. This is a proven approach that has been successfully implemented by multiple local authorities and is fully compliant with guidance and best practice.

This solution is system agnostic and can be deployed as a standalone software solution across existing systems. It can also be supplemented with skilled resources to support an end-to-end service delivery solution if required. Ongoing support includes detailed reporting and actionable recommendations to optimise performance.

Key features include a fully digital mailroom, the automated rejection of non-compliant invoices with rejection reasons, market-leading OCR and ICR capabilities, document validation, accurate tax and VAT checks, and robust three-way matching logic. This acts as a central hub with a secure integration into existing financial and ERP systems and so captures, validates, and routes invoice data from multiple sources which ensures compatibility with diverse client environments. We have established protocols for getting the service up-and-running which typically takes 2 to 4 weeks with limited impact on local resources.

These capabilities ensure full compliance and visibility, improve accuracy, and accelerate invoice processing to deliver measurable efficiency gains. A combination of automation, leading edge technology and human expertise makes this a robust, adaptable, and outcome-driven solution for public sector invoice processing.

Capita also has teams of finance specialists who streamline and optimise AP processes by automating invoice processing, reducing manual data entry, and minimising errors. Our processes are continually reviewed in line with industry best practice, emerging technology, and maximising performance. This provides our clients with cost savings through process standardisation, improved accuracy, and fewer rejections/queries. Moreover, the platform continuously adapts through AI-driven process reviews, assessing all elements of the programme and recommending enhancements to workflows. This ensures that the delivery of our AP service evolves in line with the needs of both Councils and their suppliers.

2 Service Features

1. **Digital post room** for front-end management and routing of invoices (postage costs are not included in our core price and can be provided separately)
2. **PO compliance** is enforced with automated communications for rejections.
3. **Enhanced validation** checks for duplicate payments and incoming documents.
4. **Auto matching** 2-way and 3-way for POs
5. **Automated processes** for parked document sweeping and automated approval workflows for non-PO documents.
6. **Experienced AP professionals** for exception handling
7. **Supplier Master Data** workflow management and due diligence fraud checks
8. **Payment voucher** processing
9. **Back-office AP cash journaling** for BACS rejects and returned funds.
10. **Full reconciliation** of supplier statements

3 Service Benefits

1. **Transforms and streamlines** labour-intensive manual processes.
2. **Reduces manual effort and operational cost** by replacing repetitive tasks with automation.
3. **Economies of scale** from outsourced and dedicated specialist service
4. **Fully digitised** service and workflows with specialist expertise for exceptions
5. **Improves performance** for payment of invoices and reduces late payment fees.
6. **Improve and standardises** PO compliance rates.
7. **Clarity** of performance through greater visibility and consistent reporting
8. **Delivers continuous improvement** via AI-driven process reviews and recommendations for workflow enhancements.

4 Service Scope

Functionality: the subscription includes access to the Aged Debt Recovery platform for automated aged debt recovery. Core functionality covers data enhancement, workflow orchestration, AI-driven process reviews, real-time dashboards, and secure data exchange via SFTP. It also provides full audit trails and configurable communication strategies.

Hosting: the service is hosted in UK-based ISO 27001-certified datacentres, ensuring compliance with government security principles. Data remains within the United Kingdom unless otherwise agreed.

Updates and Patches: monthly security patches and feature updates are included as part of the subscription. Critical updates are applied outside standard business hours to minimise disruption.

Support: standard support is available 9:00–17:00 UK time, Monday to Friday, via email, phone, and web chat. Enhanced support tiers, including priority response and dedicated account management, are available at extra cost.

Licensing Model: the primary commercial model is transactional, based on the volume of debt processed. Other options are available, including Gainshare, Cost Plus Gainshare, and Subscription models, providing flexibility to align with buyer preferences and procurement strategies.

5 Disclaimer

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