

## Acas

The Advisory, Conciliation and Arbitration Service (Acas) is an independent organisation devoted to preventing and resolving employment disputes. It aims to improve working life for employees and employers through better employment relations and provides impartial advice, training, information and a range of problem resolution services. An independent study has recently revealed that Acas saves the UK economy approximately £800 million annually through the role it plays in resolving disputes in the workplace.

Acas is predominantly funded by the Department for Business, Enterprise and Regulatory Reform (BERR) and is governed by an independent council consisting of the Acas Chair, employer, trade union and other independent members.

### The issue

Acas has roughly 800 staff based at its London headquarters and eleven main regional centres. The organisation had inherited out dated purchasing policies inappropriate to its own purchasing profile and, in 2007, Acas recognised that its procurement practices needed rethinking to support the growing demands placed on the organisation.

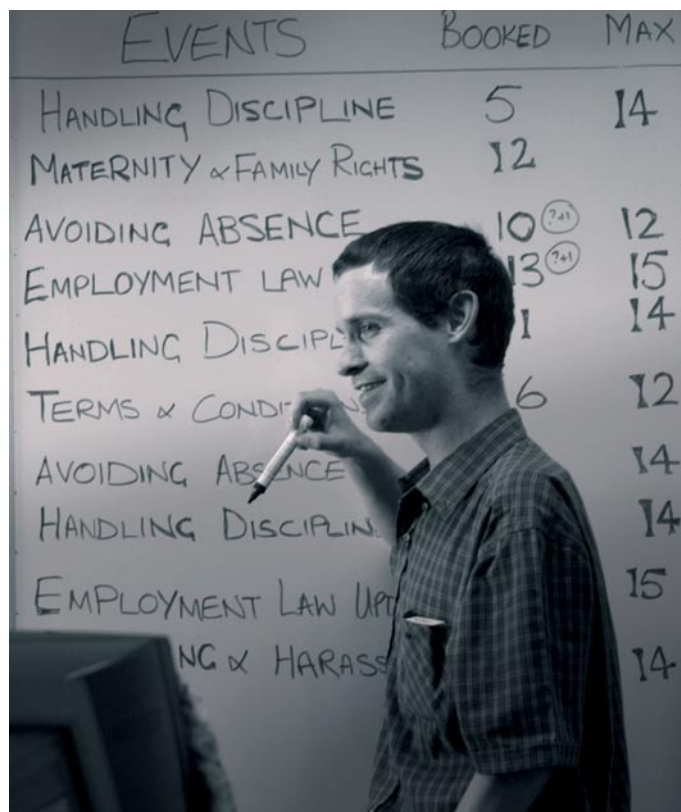
Procurement was managed via a lengthy authorisation process, requiring staff to document requests for the purchase of goods and services. These would then be routed through the organisation for approval and delivered to the accounting group.

Because of this, the purchasing process was time consuming and complex, involving 87 staff through the accounting system and drawing valuable resources away from providing frontline services. The accuracy and recording of information was inconsistent and there was no clear visibility on what was spent. In addition, with in excess of 4,500 suppliers Acas had no value added supplier relationships and high supplier churn.



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David Regan  
Acas Financial Controller



## The solution

Acas engaged Team Improvement Ltd to facilitate a review of its procurement practices and to implement a solution. With limited funding it was not possible to invest in a major change of systems so Team Improvement looked for a solution using existing resources.

Acas had begun to explore the potential of introducing a Government Purchasing Card (GPC Visa) programme but it was with Team Improvement Ltd's assistance that they found a way to fully integrate GPC Visa into their wider procurement strategy, thereby achieving optimum value and process improvements.

Working closely with Visa Europe, Team Improvement Ltd developed a transaction efficiency strategy to eliminate inefficiencies rather than automate them and integrate GPC Visa into the new purchasing process.

## The results

Acas now processes over 80 per cent of its transactions using GPC Visa and made efficiency savings of over £400,000 and a reduction in purchasing costs of approximately £250,000 in the first twelve months alone. GPC Visa is now widely accepted as the preferred means of processing with suppliers and buyers, but the main benefit of the changes has been in staff morale, as procurement and financial processes have been simplified.

According to David Regan, Acas Financial Controller; “With the support of the Co-operative Bank, Team Improvement Ltd helped Acas every step of the way and challenged our thinking to ensure that we arrived at a better operating model. They came up with effective accounting controls, monitoring and reporting of spend and procurement practices. It was by making better use of GPC Visa that we have been able to transform our procurement and financial reporting into a much more efficient process.”

While GPC Visa is used as one of the channels to process transactions, it also provides the benchmark to cost efficiency and processing controls for comparing other channels used by Acas. Acas will now be well placed to take advantage of new and emerging payment technologies being developed by Visa Europe and the Co-operative Bank which will make card payments even more convenient and user friendly. Examples include Visa PayWave which extends the convenience of cards to low value payments traditionally the preserve of cash.

Acas CEO John Taylor would recommend GPC Visa and the transaction efficiency programme to all government organisations: “Since undertaking this initiative, we have significantly improved purchasing processes for front line staff and we continue to make cash savings. I have no doubt other government organisations could benefit from a similar programme”.

For further information about GPC Visa visit [www.purchasingcard.info](http://www.purchasingcard.info) or contact Jonny Holden at Visa Commercial, Tel: +44 (0) 20 7297 1050; Email: [holdenj@visa.com](mailto:holdenj@visa.com).