



Crown
Commercial
Service

SPECIFICATION

REFERENCE NUMBER

RM3820

1. Overview

- 1.1 This Procurement is to establish a framework of Potential Providers who can provide spend recovery and related services, including the analysis of accounts payable systems, supplier invoices and payments, suppliers contracts or other data as requested by a Contracting Body.
- 1.2 The services required under the lots are detailed below, as follows;
- 1.3 The Potential Provider shall be capable of providing all of the services as listed in the Lots for which they wish to submit a tender
- 1.3.1 **Statement Transaction Review** – Potential Providers will conduct a review and comparison of supplier ledgers and trading accounts to identify, report and recover any unallocated amounts, credit notes or other credit balances due back to the contracting organisation. This will not include balances already known to the Contracting Organisation or in the process of being 'recovered' by the Contracting Organisation.
- 1.3.2 **Payment Error Review** – Potential Providers will conduct a review of historic supplier invoices and payments to identify, report and recover any instances of supplier payment errors through the incorrect or erroneous processing of invoices and the subsequent payments made to suppliers.
- This process will require an extract of the relevant invoice and supplier reference and payment data from the Contracting Organisations financial systems to be supplied to the Potential Provider in order for analysis to be conducted.
- 1.3.3 **Contract Compliance – General Review** - Potential Provider to review the contracting bodies contracts or data relating to an area of procurement to identify, report and recover any overpayments or under recovered balances that the Contracting Organisation has received the full benefit of any negotiated supplier agreements, including but not limited to; Pricing, Discounts, Volume and/or Value related bonuses.
- 1.3.4 **Contract Compliance – Specialist** - Potential Provider to review specific areas of Procurement including but not limited to; Energy, Telecoms, Contingent Labour, VAT or other as required by the Contracting Organisation to identify, report and recover any amounts identified as overpaid, overcharged or erroneous.
- 1.3.5 **Data Analytics** – Potential Providers to conduct analysis of all information provided by the Contracting Bodies, including but not limited to their supplier

agreements, invoices, payments, data, processes or findings from any review to identify and provide efficiencies, cost savings or process improvements to the Contracting Body through improvements or recommendations

2. The Framework is divided into the following lots;

- Lot 1 - Transaction Review
- Lot 2 - End-to-end Review
- Lot 3 - Contract Compliance – Utilities
- Lot 4 - Contract Compliance - Telecoms / Mobiles
- Lot 5 – Contract Compliance - Contingent Labor / Agency Staff
- Lot 6 - Contract Compliance - VAT
- Lot 7 – Contract Compliance - Property / Rental Review

2.1 Lot 1 – Transaction Review

Comprising of but not limited to the services listed in 1.3.1 & 1.3.5 listed above;

The Potential Provider shall perform the review in accordance with the stages set out Below;

- 2.1.1 Potential Provider will provide the contracting Body with a detailed data request
- 2.1.2 Potential Provider will provide the Contracting Body with a template of the Draft Letter or Text to be sent to the Contracting Bodies Suppliers requesting details of 'balances' and transactions between the Contracting Body and the supplier.
- 2.1.3 The Contracting Body will agree and authorise the content and use of the letter or reserve the right to alter or adjust in agreement with the Potential Provider.
- 2.1.4 The Potential Provider will send by post or email the agreed and authorised letter to those suppliers agreed between the Contracting Body and the Potential Provider.
- 2.1.5 All responses and queries will be dealt with by the Potential Provider
- 2.1.6 Potential Provider to identify and report all balances which require further investigation or progress to the Contracting Body.
- 2.1.7 Potential Provider to report opportunities to Contracting Body on an agreed frequency for authorisation to proceed with any investigation or action
- 2.1.8 Contracting Body to authorise or exclude opportunities for the Potential Provider to progress. Substantiating and supporting any exclusions.
- 2.1.9 Contracting Body to instruct on recovery method.
- 2.1.10 Potential Provider to contact Contracting Bodies suppliers and negotiate repayment, recovery of Credit notes/Debit notes or agree an alternative

- recovery method.
- 2.1.11 Potential Provider to provide supporting documentation for each claim including but not limited to email communications, credit notes, confirmation of repayment and any other pertinent documentation shared between the Potential Provider and the Contracting Bodies suppliers in the discussion of any recovery.
 - 2.1.12 Effect recovery from the supplier

Fees are only payable once benefit is received by the Contracting Body

2.2 Lot 2 – End to End Process

Comprising of but not limited to the services as listed in 1.3.1, 1.3.2, 1.3.3 & 1.3.5 listed above;

The Potential Provider shall perform the review in accordance with the stages set out Below;

- 2.2.1 Potential Provider will provide the contracting Body with a data request detailing all data required to perform the agreed review.
- 2.2.2 Potential Provider will provide the Contracting Body with a template of the Draft Letter or Text to be sent to the Contracting Bodies Suppliers requesting details of 'balances' and transactions between the Contracting Body and the supplier.
- 2.2.3 The Contracting Body will agree and authorise the content and use of the letter or reserve the right to alter or adjust in agreement with the Potential Provider.
- 2.2.4 The Potential Provider will send by post or email the agreed and authorised letter to those suppliers agreed between the Contracting Body and the Potential Provider.
- 2.2.5 All responses and queries will be dealt with by the Potential Provider
- 2.2.6 Potential Provider to analyse supplier invoice/payment data extracted from the Contracting Bodies internal systems to identify and report payment errors/duplicated payments potentially made to the Contracting Bodies suppliers.
- 2.2.7 Contracting Authority to provide access to invoice archive and finance system for validation of potential payment errors/duplicated payments or establish and agree alternative method with the Potential Provider.
- 2.2.8 Potential Provider to identify all balances/potential duplicate payments which require further investigation or progress to the Contracting Body.
- 2.2.9 Potential Provider to report opportunities to Contracting Body on an agreed frequency for authorisation to proceed with any investigation or action
- 2.2.10 Contracting Body to authorise or exclude opportunities for supplier to progress. Substantiating and supporting any exclusions.
- 2.2.11 Contracting Body to instruct on recovery method.
- 2.2.12 Potential Provider to contact Contracting Bodies suppliers and negotiate repayment, recovery of credit notes/Debit notes or agree an alternative recovery method.
- 2.2.13 Potential Provider to provide supporting documentation for each claim including but not limited to email communications, credit notes, confirmation

of repayment and any other pertinent documentation shared between the Potential Provider and the Contracting Bodies suppliers in the discussion of any recovery.

2.2.14 Effect recovery from the supplier

Fees are only payable once benefit is received by the Contracting Body

2.3 Lot 3 - Utilities

Comprising of but not limited to the services listed in 1.3.4 & 1.3.5 listed above;

The Potential Provider shall perform the review in accordance with the stages set out Below;

- 2.3.1 Potential Provider and Contracting Body to agree area(s) for review
- 2.3.2 Potential Provider and Contracting Body to agree timescales
- 2.3.3 Potential Provider to conduct analysis and identify any anomalies in supplier charges, payments or agreements which have resulted in the Contracting Body having missed, miscalculated, overpaid or being overcharged by a supplier.
- 2.3.4 To include but not limited to the Analysis of;
 - Tariff Analysis
 - Distribution Charges
 - Transmission Charges
 - Metering Charges
 - VAT
 - Climate Change Levy
 - Environmental Costs
- 2.3.5 Potential Provider to report findings, overcharges and undercharges to the contracting body for authorisation to proceed with presenting findings to the supplier(s)
- 2.3.6 Present findings and any supporting documentation or evidence to the suppliers
- 2.3.7 Provide regular updates to the Contracting Body on progress.
- 2.3.8 Agree in principal any recovery and repayment from the supplier or alternative method of recovery.
- 2.3.9 Seek authorisation from the Contracting Body for method of recovery
- 2.3.10 Effect recovery from the supplier

Fees are only payable once benefit is received by the Contracting Body

2.4 Lot 4 – Telecoms

Comprising of but not limited to the services listed in 1.3.4 & 1.3.5 listed above;

The Potential Provider shall perform the review in accordance with the stages set out Below;

- 2.4.1 Potential Provider and Contracting Body to agree area(s) for review
- 2.4.2 Potential Provider and Contracting Body to agree timescales
- 2.4.3 Potential Provider to conduct analysis and identify any anomalies in supplier

charges, payments or agreements which have resulted in the Contracting Body having missed, miscalculated, overpaid or being overcharged by a supplier.

- 2.4.4 To include but not limited to the Analysis of;
 - PSTN LINES
 - Call Plans
 - MPLS/Ethernet
 - Leased Line Services
 - Maintenance Charges
 - Mobile Voice/Data
- 2.4.5 Potential Provider to report findings, overcharges and undercharges to the contracting body for authorisation to proceed with presenting findings to the supplier(s)
- 2.4.6 Present findings and any supporting documentation or evidence to the suppliers
- 2.4.7 Provide regular updates to the Contracting Body on progress.
- 2.4.8 Agree in principal any recovery and repayment from the supplier or alternative method of recovery.
- 2.4.9 Seek authorisation from the Contracting Body for method of recovery
- 2.4.10 Effect recovery from the supplier

Fees are only payable once benefit is received by the Contracting Body

2.5 Lot 5 - Contingent Labour / Agency Staffing

Comprising of but not limited to services 1.3.4 & 1.3.5 listed above;

The Potential Provider shall perform the review in accordance with the stages set out Below;

- 2.5.1 Potential Provider and Contracting Body to agree area(s) for review
- 2.5.2 Potential Provider and Contracting Body to agree timescales
- 2.5.3 Potential Provider to conduct analysis and identify any anomalies in supplier charges, payments or agreements which have resulted in the Contracting Body having missed, miscalculated, overpaid or being overcharged by a supplier.
- 2.5.4 To include but not limited to the Analysis of;
 - Hourly Rates
 - Grades vs Charges
 - Hours worked vs Charges
- 2.5.5 Potential Provider to report findings, overcharges and undercharges to the contracting body for authorisation to proceed with presenting findings to the supplier(s)
- 2.5.6 Present findings and any supporting documentation or evidence to the suppliers
- 2.5.7 Provide regular updates to the Contracting Body on progress.
- 2.5.8 Agree in principal any recovery and repayment from the supplier or alternative method of recovery.
- 2.5.9 Seek authorisation from the Contracting Body for method of recovery
- 2.5.10 Effect recovery from the Supplier

Fees are only payable once benefit is received by the Contracting Body

2.6 Lot 6 - VAT

Comprising of but not limited to services 1.3.4 & 1.3.5 listed above;

The Potential Provider shall perform the review in accordance with the stages set out Below;

- 2.6.1 Potential Provider and Contracting Body to agree area(s) for review
- 2.6.2 Potential Provider and Contracting Body to agree timescales
- 2.6.3 Potential Provider to conduct analysis and identify any anomalies in supplier charges, payments or agreements which have resulted in the Contracting Body having missed, miscalculated, overpaid or being overcharged by a supplier.
- 2.6.4 To include but not limited to the Analysis of;
 - Input and Output VAT
 - VAT Rates
 - Exemption Calculations
- 2.6.5 Potential Provider to report findings, overcharges and undercharges to the contracting body for authorisation to proceed with presenting findings to the supplier(s)
- 2.6.6 Present findings and any supporting documentation or evidence to the suppliers
- 2.6.7 Provide regular updates to the Contracting Body on progress.
- 2.6.8 Agree in principal any recovery and repayment from the supplier or alternative method of recovery.
- 2.6.9 Seek authorisation from the Contracting Body for method of recovery
- 2.6.10 Effect recovery from the Supplier

Fees are only payable once benefit is received by the Contracting Body

2.7 Lot 7 – Property/Rent Review

Comprising of but not limited to services 1.3.4 & 1.3.5 listed above;

The Potential Provider shall perform the review in accordance with the stages set out Below;

- 2.7.1 Potential Provider and Contracting Body to agree area(s) for review
- 2.7.2 Potential Provider and Contracting Body to agree timescales
- 2.7.3 Potential Provider to conduct analysis and identify any anomalies in supplier charges, payments or agreements which have resulted in the Contracting Body having missed, miscalculated, overpaid or being overcharged by a supplier.
- 2.7.4 To include but not limited to the Analysis of;
 - Lease Charges
 - Rental Charges
 - VAT charges
 - Insurance Payments
 - Exemptions
- 2.7.5 Potential Provider to report findings, overcharges and undercharges to the

- contracting body for authorisation to proceed with presenting findings to the supplier(s)
- 2.7.6 Present findings and any supporting documentation or evidence to the suppliers
 - 2.7.7 Provide regular update reports in line with Reporting recommendations listed in 3 to the Contracting Body on progress.
 - 2.7.8 Agree in principal any recovery and repayment from the supplier or alternative method of recovery.
 - 2.7.9 Seek authorisation from the Contracting Body for method of recovery
 - 2.7.10 Effect recovery from the Supplier

Fees are only payable once benefit is received by the Contracting Body

3. Reporting;

- 3.1 The Potential Provider will be required to report on the recovery progress on a regular basis to be agreed with the Contracting Body and produce a final report detailing all findings and recommendations.
- 3.2 The format and layout of the report shall be agreed between the Potential Provider and the Contracting Body within 10 working days of the commencement date of the Call-Off Agreement.
- 3.3 The Contracting Body and the Potential Provider will discuss the fortnightly report within 3 working days of it being issued, to discuss any actions or issues and agree further actions if required.

3.4 Final Report:

The Potential Provider shall deliver a final report within 2 months of the completion date of the Call-Off agreement, which will include the following as a minimum:

- o Applied strategy;
- o Recovery methodology;
- o A summary of items recovered;
- o Identification of any consistent issues, the root causes and any countermeasure recommendations;
- o Process and control issues identified;
- o Recommendations for improvement;
- o Performance metrics of the purchase to pay process;
- o Review any outstanding actions and agree timescales with the Contracting Body for the action to be completed;
- o Identification of future savings opportunities
- o Recommend any further areas for review
- o Lessons Learnt.