

Barnsley Metropolitan Borough Council

Case Study

INCOME. SOCIAL VALUE. EFFICIENCY.

A large, multi-story stone building with many windows, surrounded by trees and a field of yellow daffodils in the foreground. The building is partially obscured by trees and a stone wall. The sky is overcast.

“As council budgets get tighter, we have to look for ways to innovate and deliver better services for less. This was an ‘outside of the box’ solution – but it is really working for the local economy and for the council.”

Neil Copley
Service Director for Finance



Early payment is vital for driving forward the local economy:

Oxygen's early payment programme.

The Local Government Sector is facing difficult financial challenges against the backdrop of reduced resources. This means all local government services need to be reviewed and delivered in different and more innovative ways.

Barnsley in South Yorkshire is known for being a coal mining and glass making town, however the town is growing up fast. Despite a tough economic situation in the UK, a huge £50m regeneration is underway in the town centre.

Barnsley Metropolitan Borough Council is a Labour controlled authority led by Cllr Sir Stephen Houghton CBE. The Council has always looked to change and innovate how it delivers its services to members of the public and businesses alike, despite major cuts in Government funding.

One such example which has recently been reviewed is the Council's Purchase-to-Pay processes. The Council is taking the lead in building important relationships with local businesses and suppliers. It has identified how the simple act of paying invoices early is turning Barnsley into a role model for economic regeneration across the UK.

At the same time, the council is generating income for the local authority to contribute towards the vital services that the people of Barnsley really need.



About Oxygen Finance

Oxygen Finance is the leading Early Payment Provider to the UK public sector. By encompassing both technology and professional services, our solution consistently allows Local Government organisations to extract value from their supply chains, improve purchase-to-pay processes and inject liquidity into the local economy.

Barnsley Metropolitan Borough Council

Testimonials

Sir Stephen Houghton CBE Leader of the Council

Lead cabinet member for economic regeneration. He was first elected to the council in 1988



“The Council has three major priorities, to create more resilient communities, help people to be more enterprising and qualified and, linked to both of those things, build a strong economy.

“We are very proud that only a year ago Barnsley was the best performing town or city in the country for creating private sector jobs, those jobs that come from businesses, so making sure we have a substantial and growing business base is a key ambition.

Part of that is how the council can support businesses that it works with – we have to practice what we preach

If it saves the council money at the same time, well that’s even better. So, that is why the scheme is hugely important to us.

“We are under huge financial stress, so any savings we can make helps towards those challenging savings targets that we have got. If we have something that is essentially an invest to save scheme, not only is it easing the council’s budget, but we can invest the money back into some of the ambitions that we have got – it is a win-win all round.

“Businesses tell us that cashflow is the biggest issue and getting paid early is often what is keeping them afloat. These are tough times, not just for councils. We have been through a very difficult economic period so anything we can contribute to the operation, and the success, of a business matters.

“Despite cuts, we are making huge investments in the economy, through business parks, skills, the biggest school development programme in Europe, replacing all secondary schools and a huge regeneration scheme in the town centre.

This is complemented by the way we do business through electronic systems with local businesses. This makes it easier for them as the customer.”

“There are major investments going on, despite the cuts, and we are having to become smarter, leaner and meaner. Those big regeneration programmes are helping to transform this place. Barnsley will get better through a better council and a better economy.

“Come and join the scheme is my advice to other local authorities, it has been good for us and good for business. We are all under the same pressures, so get engaged – it is important that councils recognise that not just residents have needs. The business community matters.

“It is about doing things differently, it is about being innovative, about being creative and about picking up examples from others. We haven’t cornered the market on that, but this is one good example that we would like to share with others.

“A huge thank you to the staff at Barnsley. They are under huge pressure and we are asking less staff to do more and more work – and this place is only as good as the people it employs. Thank you to them for being prepared to do things differently.”



Barnsley Metropolitan Borough Council Testimonials

Andrew Frosdick
Director of Finance
Property Information Services



“The Premier Supplier Programme has proven to be a huge benefit to our suppliers, not just through early repayment of invoices, but in helping to ensure the financial stability of our supply base and fostering a much closer working relationships with our customers.

The scheme has achieved positive outcomes clearly through improved cash flow for businesses via early payment, but we’ve also focused on increasing process efficiency via e-invoicing and providing dedicated processing and query resolution. Altogether we’ve achieved closer collaboration and a valued, long-term relationship with our suppliers.

I know from the feedback within our finance teams the whole programme has transformed the way we work and allowed us to provide a real customer focus – a key priority of our future council model.

Importantly, and something which is essential in the current economic climate, it also allows the council to grow and invest in the local economy and protect frontline services, so it’s a win-win from our perspective.”



Barnsley Metropolitan Borough Council Testimonials

Neil Copley
Service Director for Finance



“We have saved £87 million up to 2017 and have a further £15m to save over the next 3 years.”

“As council budgets get tighter, we have to look for ways to innovate and deliver better services for less. This was an ‘outside of the box’ solution – but it is really working for the local economy and for the council.

“Through this programme we have established better relationships with local businesses – this is the real added value that all local authorities should be looking for.”

Steve Loach
Project Lead on the PSP programme

Kerry Loy
Commercial Services Manager



“We used to have teams of people tapping numbers into a machine to process invoices, but through this programme the vast majority of that work is done automatically.

“This allows us to focus on building relationships with local businesses in the borough, which really matters to them – and really matters to us.

“Staff in our department are much happier and, importantly, more productive – we can account manage our relationships and ensure businesses are being paid quickly for the work they do.

“It has been a massive change for us here, but one that we have welcomed, and the way the council interacts with suppliers has improved hugely in a very short time.

“It is not about the money, it is about the benefits the council can bring to the business community, and the positive knock on effect that has for people in the area.”



Supplier Testimonials

Debbie Brown
Director of Totty Signs



A family business that was set up by her father in 1978.

They design and deliver signage for the council for campaigns and events, including the visit from the Tour de France to the area in 2013.

“Cashflow is the lifeblood of our business, and since we joined the Premier Supplier Programme in April 2014 everything has improved – not only are we being paid on time, but we have a better relationship with the council itself.

“We employ 14 local people and so the benefits of having a council who clearly supports business is really key for us, it allows us to plan ahead.

“By paying our invoices early the council has given us the freedom to go and get more business in and establish a larger client base. We are no longer having to spend hours chasing bills and invoices, which eats into our time as a company.

“We would say to any business in Barnsley that has dealings with the council – sign up. It is one of the best things we did.”

Chris Barrow
Director of C.D. Potter & Sons Ltd
Building Contractors



The longest serving building contractor in town, established in 1928 as a family business. The firm has been working with the council on various projects including:

- Repairing flood damage to Bank End School
- Social housing improvements contract for estates
- Construction and maintenance on council buildings

“This is the best our relationship has ever been with the council. My company is actually ok with late payments, but only because we have the resources to cover it.

“However, having that certainty of payment really helps our own supply chain. We have a £3.5 million turnover, and 19 suppliers ourselves, so improving the invoice times at the top can really be passed down the line to others.

“We did some repair work for the council on a local housing estate on a Tuesday and were paid by the Friday. That is a huge change, and makes a big difference.”



For further information:

Call now:

0121 295 4038

To find out more visit:

www.oxygen-finance.com
