



A chance for a fresh start

"We came into being with an opportunity few organisations get – a fresh start," says RCT Homes' Head of Finance Lisa Pinney. "We were able to create a new financial system from the ground up, from basic purchasing to payroll to fixed assets to insurance."

Getting a real picture of existing processes

It is important to note that RCT Homes chose not to implement iPOS eProcurement for Infor FMS SunSystems from Professional Advantage immediately.

"We were advised by peers in the Professional Advantage community that putting iPOS in without a clear picture of the true context and the existing business processes in place would not work," she recalls.

Pinney and her colleagues knew that cultural change was going to be a huge part of the task. She explains: "Staff were using all sorts of work-rounds, from using just one customer order per supplier for the whole year to placing orders with no value. A lot of this had built up with the previous paper-based system."

"We knew we had to know what we were dealing with in order to change this," she explains.

Getting a true picture of how things actually got done meant that Pinney was able to draw up a realistic process map that captured the essence both of what was being done day to day and what needed to change to optimise and rationalise the situation. "Our deal with the staff was that they had to tell us how to make it work best for them, because like it or not a new way of working was on the way" she says.

The iPOS deployment was based on an in-depth picture of the existing business processes and work-rounds; clearly, those processes had to be radically overhauled. The old system was dependent on procedures such as three-part purchase order systems and use of the postal system. As a result, it was prone to error and delay – and didn't fit with the new, efficient automated process.

Paper ways of working = banned!

Pinney's team made a big decision: there would, in effect, be no alternative to using it. "We basically took away all the paper," she confirms. "People had to use the system. And we had to make sure it worked for them."

"We can reconcile our fixed assets in three working days. That's just never happened that quickly anywhere I've worked before!"

Lisa Pinney - Head of Finance RCT Homes

About RCT Homes

In December 2007, RCT Homes became Wales's largest social landlord when it took over the ownership and management of nearly 11,000 homes from Rhondda Cynon Taff County Borough Council.

RCT Homes is a new not-for-profit local housing organisation, a Community Mutual, where tenants sit on the Board and play a key role in scrutinising new policies and procedures and in overseeing RCT Homes' major decisions.

Technologies

Professional Advantage's iPOS eProcurement for Infor FMS SunSystems is ideal for users who want to minimise the cost of purchasing and deliver measurable 'bottom line' savings to the organisation.

About Professional Advantage

Professional Advantage adds real value, real difference every day.



Meeting the challenge of component costing – head on

A big issue for social housing organisations, adding even more pressure to RCT Homes, was a change in SORP (Statement of Recommended Practice) legislation. The issue of 'component accounting' means that the way social housing bodies record their fixed assets is undergoing a big change. Instead of "one house", all the infrastructure and valuable elements of that house – kitchen, bathroom, piping, etc. – now need to be captured individually for auditing purposes.

The great news is that, not only has this iPOS solution been successfully adopted at RCT Homes, it is also a major tool in meeting the needs of the new component counting way of dealing with assets.

"In simple terms you can import data into IPOS at any stage of the process and subsequently export data out into other core systems. For us it has meant we can import supplier data regarding kitchens and bathrooms into IPOS at Goods Received Notes stage and export data from IPOS straight into our fixed asset system by component. Reconciliations are immediate and fairly straightforward – a massive saving on time and efficiency," Pinney believes.

"We can reconcile our fixed assets in three working days," she claims. "That's just never happened that quickly anywhere I've worked before!"

Savings on time and money

For Pinney, iPOS has been a key contributor to RCT Homes successful second year in operation: "Finance love it as it means such a quicker way of working. Managers love it because it means they can see at a glance where we as an organisation stand, cash-wise, during the year, not just at the end. We can really now start looking for significant cost-savings. iPOS allows us to see clearly who works with us, we can start thinking about better deals we can strike for both us and them, and rationalise the number of suppliers if we need to."

In specific terms of the savings she expects to achieve using this form of purchasing, Pinney believes savings well into six figures and above can be achieved.

Going forward, a key goal is to reach the 'nirvana' of 80% match of order to invoices – a situation she thinks is fully achievable when a target of 90% of all transactions going through the iPOS procurement system is met.

Pinney cites the power of the underlying iPOS functionality as well as the experience and responsiveness of their iPOS partner, Four Business Solutions as key to their successful implementation.

Pinney is very enthusiastic about the whole iPOS product suite. "We looked at an alternative that also worked with Infor FMS SunSystems, but it just didn't come near in terms of flexibility or suitability."

Making a difference to the tenants makes it all worth while

Perhaps what's made Pinney and her team proudest is what the practical result of all that efficiency has meant to the people who matter most to RCT Homes – the tenants.

"We have a programme to spend £170m over the next five years to bring our stock up to the Welsh Quality Housing Standard," she says. "As part of that, we have an equally strong commitment to improving the lives of the community we serve."

Using the new technology, Pinney and RCT Homes were able to finalise the year end accounts in two weeks and get external audit sign off within four weeks, a huge achievement for the team. In practical terms, this meant the organisation's AGM could be held in the summer holidays, which translated to a day of fun and social activity for the tenants!

"In its own way, iPOS played a big part in us being able to achieve our goals at year end – a real benefit for RCT Homes, the IPOS users, our audit committee and Board of Trustees too," she says. "And it's not often in finance we can see such a direct result of our work – it was very welcome indeed."

Industry

Social Housing

Web

www.rcthomes.co.uk

For more information please contact:

Phone : +44 (0) 1730 817 911

Email: ukinfo@profad.co.uk

Web: www.profad.co.uk