



'EXPENSES UNDER SEIGE IN BATTLE FOR BUSINESS SURVIVAL' SAYS SELIMA

Latest research by public sector expenses specialist Selima, reveals expenses policy is undergoing a shake-up in the move to trim operating costs, with more than half of respondents having recently overhauled their expenses policy as part of wider cost-cutting initiatives. The results are aptly timed, given the latest crackdown on 'creative' expense claims in parliament, with MPs forced to repay over a million pounds in illegitimate claims.

The expenses study uncovers valuable insights into how the public and private sector are adapting to combat expense fraud and weather the economic storm. The statistics underline a host of far-reaching measures undertaken to make organisations leaner. More than 70 per cent of those questioned have recently reduced budgets for employee entertainment, and travel comes a close second in the cost-cutting stakes. A significant 60 per cent of respondents reported encouraging staff to use public transport to minimise mileage payouts.

Critically, these recession-proofing moves are already bearing fruit; more than a third of organisations surveyed having saved 20 per cent or more on expenses since the economic downturn hit. UK organisations are stringent in ensuring expense claims comply with company policy, according to the study, with 73 per cent cross-checking every claim submitted. Interestingly, car mileage continues to represent the 'lion's share' of expense claims (62 per cent), with 60 per cent of UK organisations still recovering VAT on mileage payments, despite the EU now demanding fuel receipts for all claims.

“The study has confirmed what we suspected”, commented Selima’s Andrew Jones. “Few organisations are putting their head in the sand when it comes to the recession. They’re applying a healthy dose of pragmatism to their expenses policy, implementing changes where it matters, and creating significant cost savings.

“With both the public and private sector keeping a closer eye on their spending, it makes good commercial sense to have an efficient process for tracking expenses against budget and policy. However, it’s important that the resource burden of an expenses ‘paper-trail’ doesn’t eat into the savings that could otherwise significantly improve an organisation’s financial health.”

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Editor’s note:

Formed in 1983, Selima, PremierEnvoy’s parent company, provides software solutions to all sectors of the market, with a focus on public sector organisations and large businesses.

Having worked with Local Authorities for the last 20 years, the company is regarded as one of a very few suppliers that are able to provide a fully integrated HR and payroll system.

Originally released in 2000, the EnvoyWorld product suite offers human resource management, payroll and expense management systems in an integrated package.

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