

<h1>BRIEFING</h1>	<b>TO:</b>	Judith Badger Strategic Director Finance & Customer Services
	<b>DATE:</b>	23 March 2021
	<b>LEAD OFFICER:</b>	Karen Middlebrook Head of Procurement Finance & Customer Services  Graham Saxton Assistant Director – Financial Services Finance & Customer Services
	<b>TITLE:</b>	Supplier Relief / Faster Payment April – June 2021
<b>1. Background</b>		
<b>1.1</b>	Since April 2020 the Council has adopted a range of principles and measures to provide supplier relief with the aim of avoiding supply chain collapse or significant financial implications for suppliers as a result of the national emergency linked to Covid-19.	
<b>1.2</b>	<p>These principles were agreed and set out within the following delegated decisions taken by the Strategic Director – Finance and Customer Services</p> <ul style="list-style-type: none"> <li>- <a href="#">(FCS) COVID-19 - PAYMENTS AND SUPPORT TO SUPPLIERS</a></li> <li>- <a href="#">(FCS) COVID-19 - PPN/04 20 SUPPLIER RELIEF (RECOVERY AND TRANSITION)</a></li> <li>- <a href="#">(FCS) SUPPLIER RELIEF POST OCTOBER 2020</a></li> </ul>	
<b>1.3</b>	<p>The most current decision gave recommendations through to the end of March 2021 to:</p> <ul style="list-style-type: none"> <li>- Make immediate payment to all suppliers on receipt of goods following a reconciled invoice.</li> <li>- Procurement to enter receipts against orders on behalf of Services, where required (and receipt is confirmed) to ensure payments are processed promptly</li> <li>- Service Areas to work with Procurement to ensure disputed invoices are resolved as a matter of urgency</li> <li>- Encourage Service Areas to discuss with their suppliers an increased frequency of invoicing.</li> </ul>	
<b>1.4</b>	There has been no central government guidance surrounding supplier relief since October 2020.	
<b>2. Key Issues</b>		
<b>2.1</b>	Whilst it is acknowledged that Covid-19 has and is creating an adverse economic impact, the scale and long-term severity remain unclear.	
<b>2.2</b>	It is therefore recommended that the Council continues to pay its suppliers as quickly as possible, on receipt of goods or in accordance with pre-agreed milestone following a	

	fully reconciled invoice, rather than releasing payment in accordance with contractual standard payment terms (usually 30 days). This approach is essential in the short term in supporting the businesses which supply the Council with goods, works and services to maintain cash flow within the supply chain and ultimately to protect jobs.		
<b>2.3</b>	<p>It is therefore proposed that previously agreed arrangements continue as summarised below:</p> <ul style="list-style-type: none"> <li>- Make immediate payment to all suppliers on receipt of goods, services and works following a fully reconciled invoice</li> <li>- Procurement to enter receipts against orders on behalf of Services, where required (and receipt is confirmed) to ensure payments are processed promptly</li> <li>- Service Areas to work with Procurement to ensure disputed invoices are resolved as a matter of urgency</li> <li>- Encourage Service Areas to discuss with their suppliers an increased frequency of invoicing.</li> </ul>		
<b>2.4</b>	It should be noted that this briefing note relates only to the payment of invoices. Where ongoing additional costs and/or variations to existing contracts are required as a result of Covid-19, these will be the subject of their own briefing note and decision. In such circumstances, advice must be sought from legal, procurement and finance.		
<b>3. Key Actions and Timelines</b>			
<b>3.1</b>	Agreement required to enable a delegated decision to be made to take effect from 1 <sup>st</sup> April 2021.		
<b>4. Cabinet Member and Leader Comments</b>			
<b>4.1</b>	<p><b>Councillor Alam:</b> Support the recommendation in note (24.3.21).</p> <p><b>Leader:</b> I'm in agreement with the recommendation (30.3.21).</p>		
<b>5. Recommendations</b>			
<b>5.1</b>	It is recommended to continue the measures previously approved in relation to the immediate payment of invoices (including receipting, dealing with disputes, increased invoice frequency etc) to the end of June 2021.		
<b>6. Briefing consultation / sign off</b>			
<b>6.1</b>	Has the above information been considered by:		
	<b>Legal</b>	<b>Officer:</b> Michael Lennox	<b>Date:</b> 12 March 2021
			<b>Comments:</b> No legal implications
	<b>HR</b>	<b>Officer:</b> Theresa Caswell	<b>Date:</b> 23 February 2021
			<b>Comments:</b> Happy to sign off no HR issues
	<b>Finance</b>	<b>Officer:</b> Rob Mahon	<b>Date:</b> 23 February 2021
			<b>Comments:</b> The financial implications of this paper are factored into the Councils treasury management budgets (paying early has

				cashflow implications). These impacts are not significant.
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