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| **Scottish Procurement****Scottish Procurement Policy Note**SPPN 5/202026 March 2020 |  |

**Supplier relief due to COVID-19**

**Purpose**

# This Scottish Procurement Policy Note (SPPN) sets out guidance for public bodies on options for payment to their suppliers to ensure service continuity during the current coronavirus (COVID-19) outbreak.

# This SPPN does not offer general or health-specific advice. The Scottish Government provides advice on Coronavirus on its [website](https://www.gov.scot/coronavirus-covid-19/) and has published a [Coronavirus Action Plan](https://www.gov.scot/publications/coronavirus-action-plan/). Advice on substantive [support packages](https://findbusinesssupport.gov.scot/) available for business and their employees including details of the [Coronavirus Job Retention Scheme](https://www.businesssupport.gov.uk/coronavirus-job-retention-scheme/).

# The content of this SPPN is not legal advice and should not be construed as such. Public bodies are advised to seek their own legal advice in relation to any questions and issues they may have. All funding must be allocated in compliance with the current State aid rules or the [Temporary Framework introduced by the European Commission to further support the economy in the COVID-19 outbreak](https://ec.europa.eu/competition/state_aid/what_is_new/sa_covid19_temporary-framework.pdf).

**Timing and action required**

# This SPPN applies with immediate effect and until 30 June 2020; it will be subject to review by then. Public bodies are urged to take immediate action to urgently review their current contracts and consider the options set out in this guidance to provide supplier relief. All decisions must be made on a case by case basis and take account of local governance and audit requirements.

**Key points**

# The current outbreak of COVID-19 is unprecedented and will have a significant impact on businesses of all sizes. Many suppliers to public bodies will struggle to meet their contractual obligations. This will put their financial viability, ability to retain staff and their supply chains at risk. Public bodies should act now to support their suppliers so they are better able to cope with the current crisis and to resume normal service delivery and fulfil their contractual obligations when the outbreak is over.

# This SPPN offers guidance on steps that public bodies can take to provide supplier relief under existing contracts. Although the guidance makes reference to the Public Contracts (Scotland) Regulations 2015 (2015 Regulations), this is not to be read as meaning that the advice applies only to contracts within scope of those Regulations; these principles also apply to lower value contacts.

**Modifying contracts including payment terms for supplier relief**

# It is the view of the Scottish Government that, at this time, the grounds for modifying a contract set out in [regulation 72](http://www.legislation.gov.uk/ssi/2015/446/regulation/72) of the 2015 Regulations may exist for many contracts. Public bodies should consider using this ability to modify payment terms of contracts. Where to do so will be consistent with this regulation and will offer suppliers relief under the terms of their contract. [SPPN 4/2020](https://www.gov.scot/publications/procurement-regulations-during-covid-19-outbreak-sppn-4-2020/) sets out guidance on contract modification, including the need for a contract variation notice.

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# Annex A to this SPPN provides a template of Model Interim Payment Terms that public bodies may wish to use when providing contractual relief. The Model Interim Payment Terms are designed for public contracts for the delivery of goods and services. Public bodies should seek legal advice to ensure that the Model Interim Payment Terms are consistent with the contract which they seek to vary.

# Key points from annex A are:

* It will be for a supplier to set out proposals to vary an existing contract and/or request interim / advance payment (see para 10 below).
* Both parties will be required to explore if other changes to the contract (for example, rescheduled delivery dates) would work better.
* The supplier will not be entitled to combine a claim under the contract with any other COVID-19 related relief, grant, intervention or other measure which results in the supplier receiving more than one benefit/relief for the same underlying cash-flow issue.
* On request, the supplier will have to evidence that any monies paid out have been used as intended.
* A condition of payment will be that the supplier must also promptly pay its staff and supply chain under the contract.
* Suppliers will not be able to claim where there is no contractual volume commitment to deliver nor will not be able to claim for profit on undelivered elements of the contract.
* Monies paid can be recovered by public bodies in specified circumstances.

**Payment to suppliers**

# The [Scottish Public Finance Manual (SPFM)](https://www.gov.scot/publications/scottish-public-finance-manual/expenditure-and-payments/annex-2-advance-and-interim-payments/) currently discourages payment in advance of need unless in exceptional circumstances. In the current circumstances, Scottish Government (SG) central finance and procurement consent is granted for payments in advance of need where the Accountable Officer is satisfied that a value for money case is made by virtue of securing continuity of supply of critical services in the medium and long term. This consent is capped at 25% of the value of the contract and applies until the end of June 2020. Central SG finance and procurement will review in mid June whether this consent needs to be extended for a further period. Consent for payment in advance of need in excess of this amount should be sought from SG central finance and procurement in the usual way. This consent does not alleviate Accountable Officers of their duties to ensure the value for money, regularity and propriety of all spending or for other contracting authorities to conduct appropriate and proportionate due diligence to ensure such payments are necessary for continuity of supply of critical services.

# Those public bodies not covered by the SPFM should satisfy themselves their own accounting rules will permit payment in advance in the current environment.

# Continuing to make payments to suppliers will present risks including that, despite these exceptional actions, a supplier may still become insolvent. These risks will need to be managed by public bodies on a case by case basis.

# Public bodies should aim to work with suppliers and, if appropriate, provide relief against their current contractual terms. For example relief on service level expectations including key performance indicators (KPIs) and service credits. This maintains business and service continuity for example, to provide goods or services to support temporary or critical Covid-19 related public services rather than the original scope of the contract. Claims by suppliers for other forms of contractual relief, such as force majeure[[1]](#footnote-1) should be considered as a last resort and legal advice should be sought.

# See more guidance on payment to suppliers – annex B.

**Prompt payment of invoices and interim applications**

# Public bodies should pay suppliers as quickly as possible to maintain cash flow and protect jobs. Public sector organisations are bound by the Late Payments of Commercial Debts (Interest) Act 1998, which requires payment to be made with 30 days after receipt of a valid invoice, or any other period the contract terms may specify. Public bodies should now aim to accelerate their payment practice to ensure payment is made as quickly as possible to their suppliers to maintain cash flow and protect jobs.

# See more guidance on prompt payment of invoices – annex C

**Dissemination**

# This SPPN is applicable to all Scottish contracting authorities, including central government departments, executive agencies, non-departmental public bodies, local authorities, NHS bodies and the wider public sector. This SPPN covers goods and services contracts put in place by Scottish public bodies. The principles also apply to works contracts, for which further guidance will be issued.

# Please circulate this SPPN across your organisation and to other relevant organisations that you are responsible for, drawing it to the specific attention of those with a commercial and finance role.

**Contact**

Any enquiries about this SPPN should be directed to:

Email: scottishprocurement@gov.scot

Scottish Procurement, The Scottish Government, 5 Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU.

Annex A

Template of Model Interim Payment Terms

[AUTHORITY LETTERHEAD]

Insert supplier name

Address

Xx/Month/Year

Dear

**Contract (as amended) between (1) [Authority] (the “Authority) and (2) [Supplier] (the “Supplier”) dated [Date] (the “Contract”)**

**Supplier relief due to COVID-19 in accordance with Scottish Procurement Policy Note 5/2020 (“SPPN 5/2020”)**

1. We refer to the contract. Unless otherwise defined, terms defined in the contract and used in this letter shall have the meaning set out in the contract.

**Background**

1. The purpose of the variation is for the authority to give relief to the supplier on the terms of this variation. The authority and the supplier acknowledge that the relief is given in light of SPPN 5/2020 and that both parties shall act in good faith and work together towards the principles set out in SPPN 5/2020. The supplier acknowledges that any relief given to it is at the sole discretion of the authority.
2. The authority reasonably anticipates that the procurement regulations will apply to this Variation and the Parties shall ensure that there is a lawful basis for agreeing the variation under the Public Contracts (Scotland) Regulations 2015 and/or any applicable procurement rules. Due to the current COVID-19 pandemic, this may include in particular justification under regulation 72 or regulation 33 of the Public Contracts (Scotland) Regulations 2015 or such other applicable equivalent.
3. The contract, including any previous variation, will remain effective and unaltered except as amended by this Variation.

**Variation**

1. The following terms shall have the meaning as set out below and shall be incorporated into the contract:

**[Drafting note: authorities should crosscheck definitions between this variation and the contract.**

**Terms highlighted in bold are not defined in this variation and their definition should be crosschecked in the contract.]**

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| **“Covid Related Hardship”** | means that as a result of the COVID-19 pandemic the supplier’s ability to meet its contractual obligations under the contract have been adversely affected. |
| **“Covid Relief Period”** | means the period from variation date until the relief expiry date. |
| **“Interim Payment Proposal”** | means a proposal for an interim payment structure pursuant to paragraph six of this variation. |
| **“Open Book Data”** | means the complete and accurate financial and non-financial information which is required by the authority to enable the authority to understand all COVID-19 related relief, grants, interventions or other measures received by the supplier from the Government and to verify the [**charges**] paid or the [**charges**] which would have been paid during the Covid Relief Period, including:1. the supplier’s [**costs**] broken down against each [**deliverable**], including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software.
2. operating expenditure relating to the provision of the [**good**] or [**services**] including an analysis showing:
	1. the unit costs and quantity of consumables and bought in services
	2. staff costs broken down into the number and grade/role of all [**supplier personnel**] together with a list of agreed rates against each manpower grade
	3. [**reimbursable expenses**]
3. [**overheads**]
4. all interest, expenses and any other third party financing costs incurred in relation to the provision of the [**services**]
5. full details of the payment of employee wages
6. full details of the payment of [**sub-contractors**].
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| **“Procurement Regualtions”** | means the Public Contracts (Scotland) Regulations 2015  |
| “**SPPN 5/2020”** | means Scottish Procurement Policy Note 5/2020 [as updated or amended from time to time] setting out information and guidance for public bodies on how they may amend payment provisions in contracts or consider other contractual relief in order to assist suppliers to combat the impact of COVID-19. |
| **“Relief Expiry Date”** | means 30 June 2020, or such other date as may be notified by the authority to the supplier prior to or on 30 June 2020. |
| **“Variation”** | means the terms set out in this variation. |
| **“Variation Date”** | means the date the second party signs this variation |

1. Notwithstanding any other term of the contract, the parties agree to vary the contract by incorporating the following terms into the contract:
	1. Where the supplier is subject to Covid Related Hardship, the supplier may at any time during the Covid Relief Period, propose a change to the contract which has the aim of providing interim relief and support to the supplier, pursuant to the aims and principles set out in SPPN 5/2020.
	2. Pursuant to the principles set out in SPPN 5/2020 and subject to this variation, the supplier shall prepare and deliver to the authority in writing, an Interim Payment Proposal which sets out details of the supplier’s proposals to vary the payment profile and/or provisions of the contract to support its cash flow position during the Covid Relief Period, including:
		1. details of an interim payment structure to be put in place, which may include (but not be limited to):
			1. [advance payment or advance interim payment for [**goods**] or [**services**] prior to their delivery by the supplier]
			2. [proposals to amend contract milestone delivery and payment profiles (including extending, delaying, cancelling or consolidating milestone activity and payments)]
			3. [continued payment notwithstanding reduced or non- performance]
			4. [bringing forward authority orders and associate payments]

**[Drafting note: authorities should consider which details are appropriate for each specific contract]**

and the Interim Payment Proposal shall include details of the proposed amounts payable, the timescales for payment and any other information reasonably required to enable the proposal to be considered by the authority and implemented by the parties and

* + 1. details of how any the interim payment structure proposed by the supplier (in total and each specific payment) is to be used and how it will provide the Supplier with relief and help reduce the adverse effect of Covid Related Hardship.
	1. The authority shall within [three] [**working days**] of receipt of an Interim Payment Proposal, consider and either reject or approve the Interim Payment Proposal. If approved, the parties shall agree in writing the effective date of the Interim Payment Proposal, which shall be dealt with under the contract as an agreed change. Where the authority rejects the proposal, the supplier shall be entitled to resubmit the Interim Payment Proposal but shall amend the proposal to take into account any changes reasonably requested by the authority.
	2. The parties shall use reasonable endeavours to avoid the use of the Interim Payment Proposal mechanism by identifying and utilising existing contractual mechanisms and provisions under the contract to reduce the adverse impact of Covid Related Hardship under the contract, which may include:
		1. relief against performance indicators
		2. relief and/or delays to delivery dates
		3. relief and/or delays to service credits
		4. waiver or delay by the authority of its remedies and rights under the contract in whole or in part.
	3. Where the parties agree and implement an Interim Payment Proposal, the supplier shall:
		1. At the Authority’s request, promptly provide a [**certificate of costs**] which sets out the supplier’s actual costs, expenses, cash flow and profits of providing the [**goods**] and/or [**services**] over the [three months] prior to the effective date of the Interim Payment Proposal.
		2. Ensure that the payments agreed under the Interim Payment Proposal are promptly and solely applied to the purposes for which they are paid, which may include payments to [**supplier staff**] and the supplier’s contract supply chain; who are working on deliverables to be provided under or in connection with the contract so as to reduce the adverse effect of Covid Related Hardship.
		3. Make available to the authority upon request any information and/or evidence (including the open book data) which the authority may reasonably require in order to:
			1. verify and assure that the supplier has applied the monies as agreed in the Interim Payment Proposal, including copies of accounts, ledgers, cash-flow forecasts and statements, balance sheets, profit and loss accounts and any other documentary evidence
			2. verify and assure that monies intended for [**supplier staff**] performing the Contract, have been properly and promptly paid
			3. pay invoices submitted by the supplier’s [**sub-contractors**] and supply chain immediately on receipt
		4. Ensure that all invoices clearly set out which elements of the invoice that are attributable to the Interim Payment Proposal and which elements are business as usual.
		5. Maintain full records and a written audit trail of all Interim Payment Proposal activity in accordance with the general financial records provisions in the contract (and such records shall be made available promptly to the authority on reasonable request).
	4. The supplier shall not be entitled:
		1. to include any profit in the Interim Payment Proposals to the extent that such profit might apply to elements of the contract that are undelivered by the supplier during the Covid Relief Period
		2. to include any payments in the Interim Payment Proposals where there is no contractual volume commitment under the contract
		3. to any payments to the extent that the supplier has been underperforming under the contract and is subject to a current improvement plan or other remedial performance measure under the contract
		4. to combine the Interim Payment Proposal with any other [government] [public sector] COVID-19 related relief, grant, intervention or other measure which results in the supplier receiving more than one benefit/relief for the same underlying cash-flow issue

* 1. The authority may at any time and in its sole discretion designate one or more additional Covid Relief Periods by notice to the supplier from time to time. Any such notice shall specify which, if any, SPPN contains the applicable rules and principles for the relevant Covid Relief Period.
	2. **[Drafting note: authorities may need to made additional amendment to the contract.]**
1. If, in the reasonable opinion of the authority, the supplier:
	1. fails to meet any obligation set out in this variation
	2. receives any interim payment and fails to meet any proposal in the relevant Interim Payment Proposal
	3. takes undue advantage of any relief
	4. fails to act transparently and with integrity

the authority may take all action necessary to recover any payments made to the supplier during the relevant Covid Relief Period, including without limitation retaining or setting-off payment of any amount it owes to the supplier at any time under the contract or any other contract, to the extent that sub-paragraph 7.1 – 7.4 apply to such payments..

**Miscellaneous**

1. The terms of this variation shall be effective from the variation date.
2. Except to the extent set out in this variation, this variation shall not constitute a waiver of any right or remedy of the authority or the supplier arising before, during or after this variation.
3. The authority and the supplier agree that any event arising from the COVID-19 shall not give rise to any force majeure or frustration rights set out in the contract to the extent that such rights are mitigated by any Interim Payment Proposal.
4. If there is an inconsistency between any of the provisions of this variation and the provisions of the contract, the provisions of this variation shall prevail.

Please confirm your acceptance of the variation countersigning this letter and returning a scanned copy to **[authority email address]**.

If you have any queries, please contact the team on **[authority’s email address]**.

Yours faithfully

[Insert name]

[Insert role]

For and on behalf of the authority

We hereby acknowledge receipt and accept the terms of this variation.

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 For and on behalf of the supplier

Position: [Director]/[Authorised Signatory]

Date:

Annex B

**Payment of suppliers**

# The public sector must act quickly and consider immediate steps to put in place appropriate arrangements to support their suppliers’ survival over the coming months.

Where the performance of the contract is either reduced or paused temporarily, public bodies should consider their options to establish appropriate arrangements to pay suppliers and liaise with main suppliers to ensure they put in place suitable arrangement for payment in the supply chain, in order to ensure cash flow and supplier survival. This could include, for example, situations where:

* Services are cut short / reduced at short notice due to the impact of COVID‑19 and non-payment could result in supply chains collapsing and/or significant financial implications for the supplier.
* It would be value for money and important to business continuity to continue to pay suppliers in the short term to ensure continuity of services when services can resume.

Annex A to this SPPN provides a template document that public bodies may wish to use for this purpose.

SPPN 4/2020 sets out guidance including how public bodies can amend contracts under [regulation 72](http://www.legislation.gov.uk/ssi/2015/446/regulation/72) of the Public Contracts (Scotland) Regulations 2015. Changes should be captured in contract variation or change note, and make clear that the changes relate only to the COVID-19 situation, include a review provision or time limit, and that it is the public body’s decision when things should return to normal.

**Payment to maintain business continuity**

Risks associated with advanced payment should be carefully considered and documented.

Where contracts operate ‘payment by result’ or are ‘output / outcome’ based, payments to suppliers could be made on the basis of a calculation of the average of the last three months invoices. Where possible, any payments made to suppliers during this emergency period could be adjusted to ensure profit margin is not payable on any undelivered aspects of the contract and that adjustments are made to reduce / remove any costs that are no longer incurred, but that are included in pricing / costs, for example travel or delivery cost. However this should not delay payments being made.

Suppliers should be required to identify in their invoices which elements of the invoiced amount relates to services they are continuing to supply (for example, business as usual) and which amounts are attributable to the impact of COVID-19.

Suppliers must explicitly agree to follow Government guidance for businesses in respect of COVID-19, continue to pay employees and flow down payment to their sub-contractors and suppliers.

Considerations may include that payments should not be made to suppliers where there is no contractual volume commitment to supply, and contracting authorities should carefully consider the extent of payments to be made to suppliers who are underperforming and subject to an existing improvement plan.

Suppliers should not expect to make profits on elements of a contract that are undelivered during this period and all suppliers would be expected to operate with integrity. Suppliers should be made aware that in cases where they are found to be taking undue advantage, or failing in their duty to act transparently and with integrity, contracting authorities will take action to recover payments made.

**Transparency – ‘open book’**

Public bodies and suppliers should work collaboratively to ensure there is transparency during this period. Suppliers in receipt of public funds on this basis during this period must agree to operate on an ‘open book’ basis. This means they must make available to the public body on request any data, including from ledgers, cash-flow forecasts, balance sheets, and profit and loss accounts, as required and are requested to demonstrate the payments made to the supplier under contract have been used in the manner intended. For example, this might include evidence that staff have been paid the right amount and on time, and that cash continues to flow through the supply chain as quickly as possible.

Public bodies should keep records of decisions and agreements made, and ensure suppliers maintain records to enable future reconciliation if necessary.

Suppliers must be able to demonstrate transparency and follow Government guidance for businesses in respect of COVID-19, and ensure that adjustments are recorded for any additional government funding grants, for example, support from the [Coronavirus Job Retention Scheme](https://www.businesssupport.gov.uk/coronavirus-job-retention-scheme/) and others that apply during this period.

**Contractual relief**

Public bodies should work with all suppliers to ensure business continuity is maintained wherever possible and that business continuity plans are robust and are enacted.

If a supplier seeks to invoke a clause relating to a form of contractual relief that would allow them to suspend performance, such as force majeure, public bodies should first work with the supplier to amend or vary contracts instead. These variations could include changes to contract requirements, delivery locations, frequency and timing of delivery, targets and performance indicators etc. Changes to the original terms should be limited to the specific circumstances of the situation, and considered on a case by case basis.

Other reliefs sought by a supplier could relate to any contractual obligation but usually takes the form of one, or both, of the following:

* an extension of time for contract performance (for example, revised milestones dates or delivery dates, etc.)
* a waiver or delay in the ability of the public body to exercise a right and/or remedy (for example to claim liquidated and ascertained damages, service credits or terminate the contract)

Each claim for relief should be considered on a case by case basis and public bodies should seek specific legal advice as required.

Public bodies should take a pragmatic approach. These discussions and any temporary changes agreed should be recorded. The contract should return to its original terms as soon as the impact of the COVID-19 outbreak on the relevant contract is over.

Public bodies should consider not accepting claims from suppliers who were already struggling to meet their contractual obligations prior to the COVID-19 outbreak.

**Force Majeure**

Force majeure is a contractual term which may (depending on the specific terms of the contact) allow one or both of the parties, when a specified event or events occurs beyond their control:

* to terminate the contract
* to be excused from performance of the contract, in whole or in part
* to be entitled to suspend performance for the period the event is continuing or to claim an extension of time for performance

It is important that force majeure clauses are not considered in isolation given its impact on other clauses such as exclusivity, liability, liquidated damages and termination rights. It may also be relevant to consider the governing law and jurisdiction clause as contracts subject to foreign law may be interpreted differently by the courts. It may also be an exclusion clause, which is subject to the Unfair Contract Terms Act 1977.

Public bodies are not bound to accept a supplier's claim for force majeure and can resist it. Public bodies should seek legal advice when dealing with a claim and continue to work with the supplier to maintain service continuity as far as possible. An attempt by a supplier to invoke a force majeure clause without valid cause may mean that the supplier is in breach of contract.

Force majeure clauses do not automatically entitle either party to claim relief. In some cases, a contract will not allow termination at all due to force majeure, and it cannot be forced.

**Frustration**

Unlike force majeure, frustration is rarely included as a provision in the contract. Instead, frustration arises where an event, for which the contract makes no sufficient provision, renders performance of the contract impossible or radically changes a party’s principal reason for entering into the contract.

If a contract has been frustrated, it terminates automatically and the parties are excused from their future obligations. Any contractual obligations incurred before the time of frustration, such as for the public body to pay outstanding charges to a supplier, remain enforceable. As neither party is at fault in respect of the frustration, neither may claim damages from the other for non-performance after the contract is declared frustrated.

However, the threshold for a contract being declared ‘frustrated’ is high and the fact that the contract will merely be more expensive to perform, or that the provider will have to perform the contract in a different way as a result of COVID-19 and/or its impact, are highly unlikely to constitute grounds for frustration in itself. Public bodies should seek legal advice if a supplier claims ‘frustration’.

**Excusing causes, relief events and other options**

If included in a contract, excusing cause and relief event provisions generally give a supplier relief from its contractual obligations, which contracting authorities may be able to use to provide relief, for example, to change the KPI regime, payment mechanism or reduce service level requirements. Some contracts may have other relief mechanisms. Whatever the regime, public bodies should maximise any commercial flexibilities within the contract, including agreeing new measures such as on meeting lead times, waiving or delaying exercising the authority’s rights and/or remedies (for example, to claim liquidated and ascertained damages, service credits or terminate the contract), revising milestones or delivery dates. In these circumstances, if there is one, public bodies should consider using the contract change control procedure to keep records of any changes made and the decision making behind each one. If not, public bodies should keep their own records.

**Annex C**

**Prompt payment of invoices and interim applications**

Public bodies should pay all suppliers as quickly as possible to maintain cash flow and protect jobs and should act now to ensure payment is made as quickly as possible to their suppliers. Public bodies should consider:

* Targeting high value invoices where a prime contractor is reliant on a supply chain to deliver the contract.
* Resolving disputed invoices as a matter of urgency; consider paying immediately and reconciling at a later date in critical situations.
* Take a risk based approach as to whether two-way matching is always needed (rather than adopt regular three-way matching against receipt and purchase order)
* Encourage suppliers to invoice or make interim applications on a more regular basis to help cash flow (for example, every week rather than monthly)

Public bodies should also consider the following additional contingency measures during the COVID-19 outbreak:

**Contingency measures - to ensure invoices are not delayed**

With significant levels of staff absence possible, public bodies should consider if they have appropriate contingency arrangements in place including sufficient numbers of staff with the appropriate permissions to promptly receipt / authorise an amount due for payment in business units as well as finance teams.

**Contract managers and business units**

Receipt for goods promptly, do not delay and ensure there is a contingency in place for delegated authority to approve in the event of staff shortages. Monitor flow down to ensure payment is cascading down the supply chain.

**Verifying invoices as quickly as possible**

Verify an invoice as quickly as possible and consider not sending invoices back for minor administrative errors and risk causing delay in payment. Continue to undertake necessary checks, however, look to resolve any issues as a matter of urgency and reconcile any minor discrepancies in information at a later stage.

**Payment card solutions**

Use of procurement/payment cards where possible to ensure businesses are paid as quickly as possible. Consider increasing the upper limit of spend, open up categories and ensure an appropriate number of staff have the authority to use.

**Invoicing procedures clearly set out for your suppliers**

Be clear where suppliers should send their invoice, including email address and the process required. This should be clear on the authority's website. This will minimise the number of invoices with incorrect information and/or being issued to the wrong address. Issue a reminder to all your suppliers to help them best prepare and ask for invoices to be sent in electronically to avoid hard copies sitting in office buildings potentially unattended.

1. A force majeure event is an event or circumstance which is beyond the parties’ control and which prevents them from fulfilling their obligations under the contract. It can only be invoked if there is a provision in the contract for it – i.e. it is not an implicit right. [↑](#footnote-ref-1)