

PROCUREMENT GUIDANCE FOR FLINTSHIRE COUNTY COUNCIL SUPPLIERS

No PO No Pay (No Purchase Order No Payment) Policy

Flintshire County Council is committed to improving the way that it buys goods, services and works. A key change which has recently been implemented is a No PO No Pay (No Purchase Order No Payment) policy.

Q1: What is No PO No Pay

No PO No Pay is one of Flintshire County Council's key policies to ensure that payments are only made to suppliers and contractors where the supplied invoice (paper or electronic) contains a valid official purchase order (PO) number (unless a pre-agreed exception applies – see Q7 below for a full list).

Q2: Why a No PO No Pay policy?

No PO No Pay ensures that the Council only pays for goods, services and works which have been properly ordered and authorised in accordance with the Councils Contract Procedure Rules (CPR's) and Financial Regulations (FR's) **BEFORE** receiving an invoice. It also ensures invoices received by the Accounts Payable team can be processed efficiently to minimise delay to suppliers and contractors. Invoices received by the Accounts Payable Team without a valid PO number **will severely delay payment to the supplier** and may ultimately be returned to the supplier.

Q3: When does No PO No Pay come into effect?

The No PO No Pay policy applies **now** and applies to all orders for goods, services or works placed with the Council.

Q4: How does No PO No Pay work?

No PO No Pay works by requiring all invoices submitted by suppliers and contractors to contain an official PO number. In all but exceptional circumstances the PO number will be:

- generated from the Council's PROACTIS P2P or other Ordering systems (see Q6)
- given to the supplier or contractor **BEFORE** making any commitment to spend Council monies.

In exceptional circumstances an Emergency PO may be supplied without a PO number, however this should be followed up with a valid PO number within two working days.

Any invoice received by the Accounts Payable Team that does not quote a valid PO number may not be processed and may be returned to the supplier which could result in severe delays in the supplier being paid.

There are exceptions to this general rule and these are listed in Q7.

Q5: Valid PO's?

Suppliers **must not**, under any circumstances, accept any verbal or written order from a Council officer **unless** a valid PO number is given or an exception as set out in Q7 applies or it is an emergency order. As previously mentioned **any invoice received that does not quote a valid PO number may not be processed and may be returned to the supplier**, unless it is covered by an exception (see Q7).

Q6: What is a Valid PO number?

Valid PO's are Purchase Orders from Flintshire County Council's ordering systems, which are the following:-

- PROACTIS P2P
- Technology Forge
- IBS Housing
- Tranman
- FMS (Secondary/High Schools)
- Manual Order Pads (Primary Schools – except those already on P2P)

As set out in Q4 above, in exceptional circumstances an Emergency PO can be supplied with a valid PO number generated within two working days.

Q7: What exceptions apply to the No PO No Pay policy?

The following circumstances do not require a valid PO number. This list is under constant review and any further changes will be communicated to our suppliers by email or through Flintshire County Council's procurement website at www.flintshire.gov.uk/en/Business/Selling-to-the-Council. The Exceptions List currently covers:

- Telephones (landline and mobile) & Utilities (i.e. Gas, Electric, Water) - where possible you should work with your suppliers to consolidate bills in order to minimise processing costs
- Postal Services
- General Provisions (Food and Drinks) - Flintshire Catering only
- Grants
- Rents
- Payments to or on behalf of Public Bodies - this refers only to non-procurement related payments. An order should be raised in respect of any procurement related spend
- Entertainers
- Payments to Individuals (Evening Class Refunds, Foster Payments, Volunteers, Expenses, Prizes, etc)
- Social care payments

Q8: I only supply Schools. Does this affect me?

Schools are not included in the No PO No Pay policy at the moment (apart from the 9 P2P Pilot Primary Schools). There will not be any change to the ordering process or payment process for invoices received for schools, for the time being.

Q9: I have supplied goods or services to Flintshire County Council where do I submit my invoice?

The Purchase Order will confirm where invoices need to be returned to. You will have an option to post your invoices to the appropriate AP address or email them to a specific email address, both of which are specified on the PO.

Q10: Will I get paid any quicker if I quote a PO number?

Unless agreed in advance, and in line with Welsh Government guidelines, Flintshire County Council's standard payment terms of 30 days from receipt of a valid invoice (not the invoice date) for all suppliers will remain.

After implementation of the No PO No Pay policy invoices received without a valid PO number may not be paid and may be returned to the supplier, unless they are covered by an exception (see Q7). **At best this will lead to a significant delay in the payment process.**

Q11: In the past invoices without a PO number have been paid by Flintshire County Council, will this still happen?

No. Once implemented, the No PO No Pay policy will see invoices without a valid PO number as not being recognised and they will be returned to the supplier, unless they are covered by an exception (see Q7).

Q12: An invoice has been returned requesting a valid PO number to be provided. How can this be obtained?

You should contact the Flintshire County Council member of staff who gave the original instruction to supply the goods, services or works and ask them to provide a PO number. Once obtained, please re-submit your invoice ensuring that the PO number is quoted.

Q13: What should I do now?

Please ensure that all your staff who receive orders to supply goods, services or works to Flintshire Council are aware of **No PO No Pay** and insist on being supplied with an official PO number.

Q14: Will I be kept informed of future changes to No PO – No Pay?

Yes - further information will be available via our website regarding the No Po No Pay policy.

Q15: What should I do if I am not a supplier and I have received notification of No PO No Pay but I do not supply Flintshire County Council?

Some individuals who have received payments/ grants from the Council in the past have been recognised in our accounting system as suppliers. If you have received notification of the No PO No Pay policy and do not provide Flintshire County Council with goods and services please disregard this Notification and we apologise for any inconvenience.

Q16: Where do I get further information on selling goods or services to Flintshire County Council?

Please visit our website at www.flintshire.gov.uk/en/Business/Selling-to-the-Council or if you have any specific questions then please email them to eprocurement@flintshire.gov.uk.