

St Bart's Multi-Academy Trust

'No Purchase Order No Payment' for 2018-19



Dear Supplier,

'No Purchase Order No Payment'

With effect from 1st September 2018, St Bart's Multi-Academy Trust requires payment for all works, goods and services to be based on a purchase order provided by us.

It is St Bart's Multi-Academy Trust policy that all invoices must quote the relevant purchase order number(s) and we have introduced a strict "No Purchase Order No Payment" process that has been widely communicated internally.

Please be advised that effective from the above date this requirement will be strictly applied by the academy, and any invoices failing to comply with those requirements will be returned and a revised invoice will need to be raised.

Please make sure that you always ask those ordering from you to provide a purchase order number as soon as you are requested to supply goods, services or work for us. Please ensure that this number is then quoted on the invoice relating to this supply.

This new process has clear benefits for both you as a supplier and the academy:

- The pre-approval process gives you assurance that the order has been authorised by a manager/approver before the order reaches you.
- It should reduce any payment delay risk.

We have attached a guidance sheet answering Frequently Asked Questions for your reference (see below). This includes a list of exceptions at FAQ Q5.

Invoices that do not quote a valid purchase order number for goods and services ordered on or after **1st September 2018** will be returned to you for amendment and resubmission, therefore you will run the risk of delayed payment.

All invoices for supply of goods and services not listed as an exception must quote a St Bart's Multi-Academy Trust reference number, which is considered to be the Purchase Order Number.

We thank you for your co-operation and assistance with this change. Should you have any queries please contact either myself or email: finance@sbmat.org

Please circulate this letter as necessary within your business.

Yours sincerely

Christina Washington

Chief Finance officer

St Bart's Multi-Academy Trust

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'No Purchase Order No Payment':

Supplier FAQs

Change Effective from 1st September 2018

St Bart's Multi-Academy Trust is committed to improving the way that it buys goods, services and works. A key change that will be implemented from **1st September 2018** is a No Purchase Order (PO) No Payment financial control measure.

Q1: What is No Purchase Order No Payment?

No Purchase Order No Payment is a key financial control measure to ensure that payments are only made to suppliers and contractors where the supplied invoice (paper or electronic) contains a valid official purchase order number (unless a pre-agreed exception applies – see Q5 below for a full list)

Q2: Why a No Purchase Order No Payment financial control measure?

No Purchase Order No Payment ensures that the academy only pays for goods, services and works which have been properly ordered and authorised. It also ensures invoices received by the Finance team can be processed efficiently to minimise delay to suppliers and contractors. Invoices received by the Finance team without a valid Purchase Order number **will not be paid** and will be returned to the supplier.

Q3: When does No Purchase Order No Payment come into effect?

No Purchase Order No Payment will apply to all orders for goods, services or works placed on or after **1st September 2018**. Academy Staff have already been reminded to raise purchase orders and you may have already been made aware of this when providing goods / services.

From this date, suppliers must not under any circumstances accept any verbal or written order from a member of academy staff **unless** a valid Purchase Order number is given or an exception as set out in Q5 applies. **Any invoice received that does not quote a valid Purchase Order number will not be processed and will be returned to the supplier - unless it is covered by an exception (see Q5).**

Q4: How will No Purchase Order No Payment work?

No Purchase Order No Payment works by requiring all invoices submitted by suppliers and contractors to contain an official Purchase Order number. In all but exceptional circumstances the Purchase Order number will be generated from the academy's purchasing system, and given to the supplier or contractor BEFORE making any commitment to spend academy monies.

Once this financial control measure is in place St Bart's Multi-Academy Trust will only accept invoices that quote a valid Purchase Order number. It is important for suppliers to note that they are at risk of a delay in receiving payment if their invoices do not include a valid Purchase Order number.

There are exceptions to this general rule and these are listed in Q5.

Q5: What exceptions apply to the No Purchase Order No Payment financial control measure?

The following circumstances do not require Purchase Orders. This list is under constant review and any further changes will be communicated to our suppliers. The exceptions list currently covers:

- Telephones (landline and mobile)
- Utilities (i.e. Gas, Electric, Water)
- Postal Services
- Agency Staff
- Hire of taxis
- Catering Supplies – school meals charges
- Purchase card payments
- PFI Contract Payments

Q6: I currently supply St Bart's Multi-Academy Trust as part of an ongoing contract and receive regular payments or instalments. Do I need to provide a PO number for any remaining future payments?

Yes, all future payments will require a purchase order number in order to be processed, regardless of whether they form part of an existing contract or not. Therefore you are required to provide a PO number on all future invoices.

Q7: An invoice has been returned requesting a valid PO number to be provided. How can this PO be obtained?

You should contact the St Bart's Multi-Academy Trust 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.

Please do not, under any circumstances, accept any verbal or written order from an academy member of staff unless a valid PO number is given or an exception as set out in Q5 applies or it is an emergency order.

Q8: What should I do now?

Please ensure that all your staff that process orders to supply goods, services or works to St Bart's Multi-Academy Trust are aware of No PO No Payment and insist on being supplied with an official PO number.

Q9: Where do I get further information on selling goods or services to St Bart's Multi-Academy Trust?

If you have any specific questions then please email finance@sbmat.org with the subject line 'No Purchase Order No Payment', or telephone 01782 235524.