



Sent via email to Kent County Council suppliers

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SUPPLIER RELIEF DUE TO COVID-19

We are writing to thank you for the tremendous response that has been made providing critical services and support during the ongoing outbreak of the current novel coronavirus (COVID-19) and the measures to reduce the risk of further human-to-human transmission, when you yourselves are facing considerable uncertainty. The flexibility, resourcefulness and public spirit shown by our network of suppliers is truly impressive and greatly appreciated.

We also want to set out the help and support that is available to the Council's suppliers both from the Council and from our partners more broadly. We know that the supply of personal protective equipment and foodstuff is particularly challenging. The Council is working extremely hard with its partners to deal with this as well as escalating the issues to central government.

This Council is absolutely committed to paying its suppliers to ensure service continuity both during and after the outbreak. We are trying to make outstanding payments as quickly as possible regardless of the payment terms in contracts, so have increased the number of people working in our accounts payable team and relaxed the requirements to verify invoices and resolve disputes. Our general approach is to pay invoices submitted by suppliers immediately on receipt wherever possible. Suppliers are also encouraged to invoice on a more regular basis to help cash flow e.g. every week rather than monthly. Invoicing electronically is also very helpful to avoid having to receive and process hard copies in our office buildings (most of our people are working remotely). This does mean that we may need to reconcile the amounts we pay you later in slower time and reserve the right to recover any amounts paid wrongfully or in error. To discuss any outstanding payments please contact us using the following e-mail address.

AccountsPayableInvoices@kent.gov.uk

If you are a supplier to the Council that is at risk of not being able to continue to provide services or resume normal contract delivery once the outbreak is over, then there are several things we can consider doing for you and we will take a pragmatic approach. These include but are not limited to the following.

- Putting in place the most appropriate payment measures to support cash flow; this might include a range of approaches such as forward ordering, payment in advance/prepayment, interim payments and payment on order (not receipt).

- If the contract involves payment by results then payment could reflect previous invoices, for example the average monthly payment over the previous three months.
- Paying on a continuity and retention basis.
- Making payments in advance of need where the Council 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.
- Providing relief against current contractual terms to maintain business and service continuity such as relief on performance indicators and liquidated damages (service credits).
- An extension of time for contract performance e.g. revised milestones dates or delivery dates, etc.
- Wherever possible, the Council will seek to re-deploy the capacity of those suppliers to other areas of need; this can be implemented via a time-bound variation to the original contract.

Each claim for relief has to be considered on a case by case basis due to the diversity of suppliers and the goods, services, and works being supplied. If you are a supplier to the Council at risk and are not already discussing this with our commissioning teams, then please contact us using the following e-mail addresses (just pick one you are a supplier of different services).

Suppliers of Children's Services –
supplierdistress.childrengovernmentservices@kent.gov.uk

Suppliers of Adult Social Services and Health –
supplierdistress.adultservices@kent.gov.uk

Suppliers of all other services –
supplierdistress.otherservices@kent.gov.uk

Transparency and integrity in our dealings is paramount and we must work closely together on that. Suppliers in receipt of public funds that are not strictly in accordance with the usual terms of their contracts during this period must agree to operate on an "open book" basis. This means they must make available to the Council any data, including from ledgers, cash-flow forecasts, balance sheets, and profit and loss accounts, as required and requested to demonstrate the payments made have been used in the manner intended. 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 for example. We are sure you will appreciate the need for this.

Our partners in Central Government and Districts/Boroughs are also offering support to businesses and employers and it may be more appropriate to draw on them. Central Government has established a Job Retention Scheme to provide support for furloughed employees for example. The information on the following link should be helpful in referring to them.

<https://www.businesssupport.gov.uk/coronavirus-business-support/>

We want to conclude by again passing on our appreciation for the outstanding effort that our suppliers are making under such testing circumstances.

With our thanks and best wishes.

Yours sincerely,

Roger Gough

A handwritten signature in black ink, appearing to read 'Roger Gough'.

Leader of the Council

Clair Bell

A handwritten signature in blue ink, appearing to read 'Clair Bell'.

Cabinet Member for Adult Social Care and
Public Health