

POLICY NOTE

THE ELECTRONIC INVOICING (PUBLIC CONTRACTS ETC.) AMENDMENT (SCOTLAND) REGULATIONS 2019

SSI 2019/7

The above instrument was made in exercise of the powers conferred by section 2(2) of the European Communities Act 1972 (a) and all other powers enabling them to do. The instrument is subject to negative procedure

Purpose of the instrument. The aim is to further simplify and streamline Purchase to Pay processes and reduce costs for both public bodies and suppliers through improving the processing and payment of invoices.

Policy Objectives

- to transpose the Directive of the European Parliament and of the Council on electronic invoicing in public procurement (Directive 2014/55/EU) through amendment to the Public Contracts (Scotland) Regulations 2015, the Utilities Contracts (Scotland) Regulations 2016 and the Concessions Contracts (Scotland) Regulations 2016.

Consultation

The main elements of the Directive have been communicated to all central government bodies, National Health Services Scotland, all local authorities, universities and colleges.

As part of the wider stakeholder engagement work, the Scottish Government has also engaged with businesses including Scottish Chambers of Commerce and the Federation of Small Businesses.

A Public Consultation took place over a 12 week period from 1 August to 24 October 2018. In total 21 responses were received: 13 from local authorities; 1 from NHS; 2 from central government; 2 from trade organisations; 2 from suppliers; and 1 from an individual.

On analysing these responses there were some common challenges identified such as:

- Reviewing internal purchase-to-pay (P2P) and invoicing processes, along with smaller bodies lacking the technical requirements to implement eInvoicing capability;
- Internal resource to both support and deliver eInvoicing;
- Technical capability of suppliers and public bodies; and
- Suppliers potentially having to support multiple eInvoicing solutions.

However, the overall response to the introduction of eInvoicing was positive and as a result the Scottish Government proceeded with the transposition of the Directive through amendment

to the Public Contracts (Scotland) Regulations 2015, the Utilities Contracts (Scotland) Regulations 2016 and the Concessions Contracts (Scotland) Regulations 2016.

A full list of those who responded to the consultation and who agreed to the release of this information can be found at this link to the consultation report published on the Scottish Government website. <https://consult.gov.scot/ecommerce/public-procurement/>

Impact Assessments

The introduction of eInvoicing should allow suppliers and the public sector to benefit from transactional efficiency process savings.

It is not envisaged there will be any negative impact issues with regard to Scottish Firms, the Legal Aid Fund, Equality, Privacy and Human Resources.

Financial Effects

A Final Business and Regulatory Impact Assessment (BRIA) has been completed and is attached.

Scottish Government

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16 January 2019