

Introduction of Electronic Invoicing in Public Procurement

Responding to this Consultation

1 August 2018



Scottish Government
Riaghaltas na h-Alba
gov.scot

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Responding to this Consultation

We are inviting responses to this consultation by 24 October 2018.

Please respond to this consultation using the Scottish Government's consultation hub, Citizen Space (<http://consult.gov.scot>). Access and respond to this consultation online at <https://consult.gov.scot/ecommerce/public-procurement>. You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date of 24 October 2018.

If you are unable to respond using our consultation hub, please complete the Respondent Information Form to:

SPCD eCommerce Post Award
Scottish Government
3B South
Victoria Quay
Edinburgh, EH6 6QQ

Handling your response

If you respond using the consultation hub, you will be directed to the About You page before submitting your response. Please indicate how you wish your response to be handled and, in particular, whether you are content for your response to be published. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

If you are unable to respond via Citizen Space, please complete and return the Respondent Information Form included in this document.

To find out how we handle your personal data, please see our privacy policy:

<https://beta.gov.scot/privacy/>

Next steps in the process

Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at <http://consult.gov.scot>. If you use the consultation hub to respond, you will receive a copy of your response via email.

Following the closing date, all responses will be analysed and considered along with any other available evidence to help us. Responses will be published where we have been given permission to do so. An analysis report will also be made available.

Comments and complaints

If you have any comments about how this consultation exercise has been conducted, please send them to the contact address above or at einv-consult@gov.scot

Scottish Government consultation process

Consultation is an essential part of the policymaking process. It gives us the opportunity to consider your opinion and expertise on a proposed area of work.

You can find all our consultations online: <http://consult.gov.scot>. Each consultation details the issues under consideration, as well as a way for you to give us your views, either online, by email or by post.

Responses will be analysed and used as part of the decision making process, along with a range of other available information and evidence. We will publish a report of this analysis for every consultation. Depending on the nature of the consultation exercise the responses received may:

- indicate the need for policy development or review
- inform the development of a particular policy
- help decisions to be made between alternative policy proposals
- be used to finalise legislation before it is implemented

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

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Closes 24 October 2018

Public Procurement in Scotland

There is a clear vision in Scotland to focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. The public sector spends over £12 billion each year on goods, works and services. This means that public procurement and the efficiencies and simplifications that can be made to improve supplier access to public contracts as well how they do business with the public sector is a significant lever at the Scottish Government's disposal to help support economic growth.

This consultation is concerned with the Government's proposal to implement a further change to the public procurement rules in Scotland in relation to electronic invoicing (eInvoicing).

This change is in response to a new European Directive on Electronic Invoicing in Public Procurement ([EU Directive 2014/55/EU](#)). It should be noted that the effective and timely implementation of EU legislation remains a priority for the Scottish Government during the remainder of our EU membership and during any period of transition. Despite the UK's decision to withdraw from the EU, Scotland remains a committed, responsible and proactive EU partner.

Summary

This consultation document describes, and seeks views on, the Scottish Government's plan to implement a change to the public procurement rules in Scotland. While the specific nature of Brexit arrangements may impact on obligations to implement this Directive, the Scottish Government is consulting on its implementation based on the business efficiencies and benefits eInvoicing is expected to provide to public sector bodies and suppliers.

The change being introduced by the Directive will be implemented by 18 April 2019 through amendment to the Public Contracts (Scotland) Regulations 2015.

Introduction

Public procurement is the term we use to describe how the government, councils and other public sector organisations create contracts to buy or lease things. This can include goods like books and computers, services like legal advice and accountancy, and works like building roads and hospitals.

The public procurement rules describe how the public sector buys these things. The European Union sets rules for all Member States. Each Member State has to make these rules the law in their own country.

The Scottish Parliament is responsible for making these laws in Scotland. The UK Parliament is responsible for making these laws in England, Wales and Northern Ireland.

In Scotland, public procurement is governed by the Public Contracts (Scotland) Regulations 2015. In this document, we call this “the Regulations”.

Throughout this document, we refer to ‘public bodies’ as short-hand for all organisations which are subject to public procurement laws. This includes government, councils, universities and colleges, the NHS and registered social landlords.

We also refer throughout this document to ‘suppliers’ as short-hand for all organisations which might bid for and win public work. This includes public corporations, private companies, sole traders, the third sector and supported businesses.

EU Directive on Electronic Invoicing in Public Procurement

[EU Directive 2014/55/EU](#) of the European Parliament and of the Council of 16 April 2014 on Electronic Invoicing came into force on 26 May 2014. This Directive requires public bodies to be in a position to automatically receive, process and pay eInvoices for contracts that are regulated by the European Public Procurement Directives and advertised in the Official Journal of the European Union (OJEU).

The Directive does not require suppliers to comply with the requirements. Suppliers may continue with current invoicing processes. However, due to the business efficiencies and benefits that could be achieved, it may make sense for suppliers to consider the move to eInvoicing.

Public bodies (that are named in Schedule 1 of the [Public Contracts \(Scotland\) Regulations 2015](#)), must comply with the requirements of the Directive no later than 18 April 2019. All other public bodies may have a further twelve months to comply with the Directive (no later than 18 April 2020).

To support the consultation a [Business Regulation Impact Assessment](#) (BRIA) has been created. Please open the link to view further information.

The Scottish Government will be implementing this Directive into Scots Law through amendment to the Public Contracts (Scotland) Regulations 2015. A draft copy of the amendment showing the proposed wording can be viewed [here](#).

Why We Are Consulting

It is generally accepted that the implementation of eInvoicing will make it much easier to do business with, as well as facilitate more efficient payment processes to suppliers, including SME’s, which in turn will bring cost savings and liquidity benefits.

Some of the benefits of introducing eInvoicing to the public procurement process would include reduced costs, increased accuracy and processing efficiencies, faster processing and payment cycles, improved controls and compliance, increased visibility and transparency, focus on higher value activities and improved customer satisfaction.

Although in depth stakeholder engagement has taken place and is continuing, this consultation is formally seeking views and comments from a broad range of stakeholders (including public bodies and suppliers) that the introduction of eInvoicing would be a positive and progressive step for the Scottish public sector.

Questions

1. Do you agree that the introduction of eInvoicing is a positive step in the public procurement process? Please explain your answer.

Yes

No

Please explain your answer.

2. Do you foresee any barriers or challenges to implementing eInvoicing in the public procurement process? Please explain your answer.

Yes

No

Please explain your answer.

3. Do you have any further comments?

Yes

No

Please explain your answer.

Links

European Directive 2014/55/EU on Electronic Invoicing in Public Procurement

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0055&from=EN>

Public Contracts (Scotland) Regulations 2015

<http://www.legislation.gov.uk/ssi/2015/446/contents/made>

Scottish Government eInvoicing web pages

<http://www.gov.scot/Topics/Government/Procurement/eCommerce/eInvoicing>

Business Regulation Impact Assessment (BRIA)

https://consult.gov.scot/ecommerce/public-procurement/supporting_documents/eInvoicing_Transposition_Documents_Draft_BRIA_July_2018.docx

You Tube Videos

1. Implementing the Scottish eInvoicing Solution
2. Supplier overview of eInvoicing
3. P2P Capability

https://www.youtube.com/playlist?list=PLDHJtofE7N83XzYHf0sbfFBIiN7_DX4TS

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RESPONDENT INFORMATION FORM

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:

<https://beta.gov.scot/privacy/>

Are you responding as an individual or an organisation?

- Individual
 Organisation

Full name or organisation's name

Phone number

Address

Postcode

Email

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name
 Publish response only (without name)
 Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Yes

No



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