

Dear Supplier,

**FORTHCOMING CHANGES TO INVOICE PROCESSING WITHIN NEWPORT CITY HOMES HOUSING ASSOCIATION LIMITED.**

As part of our modernisation programme, Newport City Homes is undertaking a programme of changes affecting the way it engages and trades with its existing and potential suppliers/contractors for the procurement of supplies and services.

The purpose of this letter is to inform you of the changes that will be introduced from 1st September 2020.

Please take the time to read the following in detail and assist NCH in providing the information requested, to ensure prompt and secure payment of your invoices and all associated correspondence.

**Purchase Order References – No PO, No Pay**

**No PO, No Pay** is soon to be one of Newport City Homes key financial control measures to ensure that payments are only made to suppliers and contractors where the supplied electronic invoice contains a valid official purchase order (PO/Job) number. All invoices sent to Newport City Homes for goods, services or works must include an approved Purchase Order number or Job number.

Invoices submitted without a Purchase Order/Job number will not be processed and will be returned to you unpaid. This will ultimately result in a delay in payment.

Any returned invoices will be classed as “in-dispute” and as such will not be subject to the contractual payment terms until the date the correct invoice is received.

Due to complexities, there are a small number of circumstances where we do not require POs. This list is under constant review and any further changes will be communicated to our suppliers by email and through Newport City Homes procurement website. The exceptions list currently covers:

- Utility bills (i.e. Gas, Electric, Water)
- Telephone bills (landline and mobile)
- Purchasing cards administered through Barclays Spend Management system and charges associated with Barclays card payment machines
- Business rates, Council Tax bills & Housing Benefit/Universal Credit Overpayment invoices
- Paypoint transaction fees

- Pay360 fees
- Treasury banking payments
- Insurance
- Estates Team cleaning contracts
- Payroll Creditors
- TV Licensing
- DLO materials contract

## **Electronic Document Management System (EDMS)**

NCH now has an internal system for processing invoices. Emailed PDF Invoices are copied directly into our system and are then processed for payment through the electronic financial system. To ensure the timely payment of invoices, it is essential that invoices arrive into NCH correctly.

Invoices are to be submitted via email, preferably in PDF format, to [nch.payables@newportcityhomes.com](mailto:nch.payables@newportcityhomes.com)

Please ensure that NO hard copy of that invoice is sent in addition. It is important that only one copy of an invoice is submitted for payment. No additional copies should be sent to delivery addresses or service areas 'just in case'. Only if requested by an Officer from the Payables Team, should a copy invoice be submitted. Duplicate invoices can cause matching issues which could result in payment being delayed.

## **Payments to Suppliers**

To help meet the increasing financial challenges Newport City Homes is facing, we are having to identify more efficient and cost effective ways of working to meet these challenges.

Making payments via a cheque costs Newport City Homes up to 8 times the cost of making the same payment via a BACS transfer. As such, a decision has been made that as of September 2020, payments to suppliers will only be paid by BACS transfer and we will no longer be issuing any payments by cheque. All payments must be paid into suppliers' bank accounts (BACS). The advantages of this service are:

- No possibility of the cheque being lost or being cashed fraudulently
- You will not have to pay the cheque into your bank account and wait for the funds to clear which will assist you with your cash flow

If you have not already done so, please submit your bank details on your company header by return email to avoid delays in any future payments.

Please note payments will not be released until bank account details are obtained and verbally confirmed by NCH.

## **Electronic Communication**

Newport City Homes' preferred method of communication to suppliers is via e-mail, as this is the quickest method of sending remittances and other communications. To



assist us in providing you with an efficient service, if you do not already receive communication by email, please email [nch.payables@newportcityhomes.com](mailto:nch.payables@newportcityhomes.com) advising of your preferred email address for purchase orders and remittance advice.

Should you require any assistance in providing us with the requested information or have any queries regarding the content of this letter, please e-mail your query to [nch.payables@newportcityhomes.com](mailto:nch.payables@newportcityhomes.com)

Thank you for your assistance.

**Sarah Kelly**  
**Procurement and Contracts Manager**

