



Ministry
of Defence

Ministry of Defence

Defence Business Services Secretariat
Room 6303
Tomlinson House
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Thornton-Cleveleys
FY5 3WP

Ref: [REDACTED]

Email: DBSRES-Secretariat@mod.uk

[REDACTED]

12 June 2017

Dear [REDACTED]

Thank you for your emails of 12 April 2017 to the Ministry of Defence (MOD), following our recent response of 12 April 2017 (FOI2017/02776), requesting the following information:

"Are you able to tell me the name of the supplier owed £28m and whether they have been paid?"

Also could you tell me how many Defence Supplier SMEs have outstanding invoices to be paid and when will these be cleared/resolved?"

I am treating your correspondence as a request for information under the Freedom of Information Act 2000 (FOIA). A search for the information has now been completed within the Ministry of Defence and I can confirm that some of the information in scope of your request is held.

I can confirm that the name of the supplier owed £28m was Aspire Defence Limited and the outstanding amount has since been paid.

As of 25 April 2017, there was a total of 262 suppliers who had outstanding invoices (over the 30 day statutory terms) to be paid.

Under Section 16 (Advice and Assistance) you may be interested to know that the Ministry of Defence publishes details of all spending over £500 using a GPC (departmental debit card) and details of all departmental spending over £25,000 on a monthly basis. The financial transparency datasets are published on to the Gov.UK website and can be found at the following link – <https://www.gov.uk/government/collections/mod-finance-transparency-dataset>

The MOD is unable to accurately advise when outstanding invoices will be cleared as the reasons for delays are varied. Delays can occur due to supplier error, MOD error or a combination of both. The MOD is committed to paying its suppliers as promptly as possible and our teams work closely with MOD commercial officers and suppliers to resolve queries to ensure correctly presented and properly authorised invoices are paid. In this case the invoice was held in the new Contracting, Purchasing and Finance (CP&F) system due to technical reasons. As a result an emergency payment to the supplier was made which ultimately met the statutory payment terms. Technical issues have since been resolved.

Additionally, it should be noted that under the new Contracting, Purchasing and Finance (CP&F) system the MOD pays over 4 million invoices a year at £27BN to over 5,000 suppliers.

If you are not satisfied with this response or you wish to complain about any aspect of the handling of your request, then you may apply for an independent internal review by contacting the Information Rights Compliance team, Ground Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail CIO-FOI-IR@mod.uk). Please note that any request for an internal review must be made within 40 working days of the date of this letter.

If you remain dissatisfied following an internal review, you may take your complaint to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not investigate your case until the MOD internal review process has been completed. Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website, <http://www.ico.org.uk>.

Yours sincerely,

A large black rectangular redaction box covering the signature area.

Defence Business Services (Secretariat)