



Ministry of Defence

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

Ref: FOI2017/02776

Email: DBSRES-Secretariat@mod.uk

[REDACTED]

12 April 2017

Dear [REDACTED]

Thank you for your email of 27 February 2017 to the Ministry of Defence (MOD) requesting the following information:

"Could you tell me the number of suppliers who are awaiting payment following the failure of the MoD's payment system and what is the largest bill outstanding?"

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 all the information in scope of your request is held.

As of 28 March 2017 there were 550 suppliers awaiting payment and the largest bill outstanding was £28m.

Under Section 16 (Advice and Assistance) it may be helpful if I explain that in October 2016, the Ministry of Defence (MOD) implemented a new Purchase to Pay system Contracting Purchasing and Finance (CP&F). The system is still being fully established, but it will ultimately provide significant benefits, including greater standardisation, efficiency, visibility and control for both the MOD and its suppliers. The MOD remains committed to paying its suppliers as promptly as possible. We recognise the impact that late payments have on suppliers and we are working hard to ensure that performance returns to, and then surpasses usual levels. During the transition period to the new CP&F system the MOD has experienced delays, however, the system and new processes are working well in most areas and continue to improve.

As of 24 March 2017, £9.5 billion of payments to suppliers have been made since the start of cut-over to the Contracting, Purchasing and Finance system on 28 October 2016. You may also be interested to know that 94% of invoices presented since Go Live (2 December 2016) have been paid.

If you are not satisfied with this response or you wish to complain about any aspect of the handling of your request, then you should contact me in the first instance. If informal resolution is not possible and you are still dissatisfied 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 on which the attempt to reach informal resolution has come to an end.

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, <https://ico.org.uk/>.

Yours sincerely,

A large black rectangular redaction box covering the signature of the sender.

Defence Business Services (Secretariat)