

Template for Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Supplier Incentive Programme			
Coverage:	Crosscutting			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input checked="" type="checkbox"/> Policy	<input type="checkbox"/> Service	<input type="checkbox"/> Function
	<input checked="" type="checkbox"/> Process/procedure	<input type="checkbox"/> Programme	<input type="checkbox"/> Project	<input checked="" type="checkbox"/> Review
	<input type="checkbox"/> Organisational change	<input type="checkbox"/> Other (please state)		
It is a:	New approach:	<input checked="" type="checkbox"/>	Revision of an existing approach:	<input checked="" type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description:	<ul style="list-style-type: none"> • Key aims, objectives and activities <p>To revert back to the statutory 30 day payment term for all invoices and procure an early payment system that will allow the local economy and suppliers to voluntarily sign up to receive earlier payment terms in return for a small rebate which will enhance our commercialisation and secure a financial return for the Council in the future.</p> <ul style="list-style-type: none"> • Statutory drivers (set out exact reference) <p>The Council has a statutory requirement to pay invoices received in 30 days, however, we currently do this within 20 days but this is not set out in our contractual terms which remains as the statutory requirement. In aligning all payments back to 30 days statutory we can then identify suppliers who would like to be paid earlier in return for an agreed rebate payment, this will be totally voluntary and should they not wish to pay a rebate then they will simply be paid in line with our statutory requirement.</p> <ul style="list-style-type: none"> • Differences from any previous approach <p>In 2007 Middlesbrough Council introduced a 20 day payment term, this was not statutorily required and is not reflected in our contractual terms and whilst this was for SME suppliers it was a blanket approach. The introduction of SIP will allow suppliers to continue to be paid early (if not earlier than 20 days) but in return for a negotiated rebate payment. In the event they do not wish to pay the rebate then invoices will be paid in line with our statutory requirement of 30 days.</p> <ul style="list-style-type: none"> • Key stakeholders and intended beneficiaries (internal and external as appropriate) <p>The Council, residents of Middlesbrough, local suppliers and supply chains</p> <ul style="list-style-type: none"> • Intended outcomes <p>To strengthen our internal processes and achieve efficiencies as well as offering the local economy and suppliers the opportunity to be paid early if they are able to agree a rebate return, noting that this could be as early as 1 day which is significantly quicker than the current 20 day not statutory term.</p>			

Live date:	Jan-March 2022
Lifespan:	January 2022 – December 2027
Date of next review:	January 2023

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	X	<input type="checkbox"/>	<input type="checkbox"/>	It is not envisioned that the implementation of SIP or the reverting back to the contractual and statutory 30 day payment term would negatively impact on individual Human Rights as enshrined in UK Legislation. Evidence includes analysis of performance against legislative requirements. The SIP is not compulsory and any supplier that cannot agree a rebate will still be paid within statutory payment terms. There will be an agreed and transparently managed process for suppliers reverting back to the statutory payment term in order to ensure a smooth transition and allow for any changes that may be required in their business.

* Consult the Impact Assessment further guidance appendix for details on the issues covered by each of theses broad questions prior to completion.

Screening questions	Response			Evidence
<p>Equality</p> <p>Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups?*</p>	x	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Public Sector Equality Duty (PSED) requires that when exercising its functions the Councils must have due regard to the need to:-</p> <ul style="list-style-type: none"> • eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; • advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and • foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>In having due regard to the need to advance equality of opportunity, the Council must consider, as part of a single equality duty:</p> <ul style="list-style-type: none"> • removing or minimising disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; • taking steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it; and • encouraging people who share a protected characteristic to participate in public life or in any other activity in which participation is low. <p>There are no concerns that these changes could result in adverse differential impacts on groups or individuals. Evidence includes analysis of performance against legislative requirements. The implementation of SIP will be formally managed and will include communication with suppliers and an implementation process for any transition back to the statutory payment term, the SIP is not compulsory and only suppliers that wish to benefit from early payment and able to agree the terms will be paid this way.</p>

Screening questions	Response			Evidence
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?	X	<input type="checkbox"/>	<input type="checkbox"/>	There are no concerns that the proposal could have an adverse impact on community cohesion. Evidence includes analysis of performance against legislative requirements. The SIP will be available to all suppliers and only those who are able to agree the terms will be paid via this system and it is not compulsory.
Next steps: ➡ If the answer to all of the above screening questions is No then the process is completed. ➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.				

Assessment completed by:	Claire Walker	Head of Service:	Louise Grabham
Date:	6 th August 2021	Date:	6 th August 2021