



## SRWR Guidance Note

### Invoicing for Inspections

#### Introduction

The Inspections Code of Practice defines the method for inspection invoicing. It states:

7.7.1 Invoicing arrangements for sample inspection are as follows:

- (i) Within each road works authority, the annual estimated total of fees (the annual charge) for each undertaker should be agreed with the relevant undertaker within the first quarter of the financial year.
- (ii) The actual number of inspections carried out will be charged to the undertaker on a quarterly basis. The total number of inspections charged for in any financial year will not exceed the agreed amount.

The previous method was based on billing for 25% of the estimated annual amount each quarter, and then facing the problem of having to justify these charges at the end of the year by providing details of all the inspections carried out, and potentially making adjustments to the charges if not all the estimated number have been done.

This has been replaced by the much simpler process of invoicing on a quarterly basis for the inspections that have actually been done, as recorded on the SRWR, subject only to the total amount for the year not exceeding the sample size, based on the agreed estimated units.

#### Estimated Units and Sample Size for the Year

By default, the Estimated Units for the year is based on a rolling average of the units of reinstatement for the preceding three years. This is calculated automatically within the SRWR, and may be viewed from within the Inspection Statistic screen. The SRWR allows this figure to be changed by the relevant Roads Authority, and this may be necessary in exceptional circumstances, particularly for an undertaker that is new to the Roads Authority area. **However, manual adjustments to the Estimated Units must only be made with the full agreement of the undertaker concerned. Furthermore, if the figure is changed at any time other than within the first quarter of the inspection year, it cannot be guaranteed that the sampling processes will operate effectively. An audit trail of any manual adjustments is maintained within the SRWR.**

Based on the Estimated Units for the year, the SRWR will automatically calculate the sample size for Category A, B and C inspections, and will also select the required number of Category B and C inspections. In normal circumstances, it is therefore only necessary to carry out and record the selected Category B and C inspections and randomly pick the required number of Category A inspections.

**In exceptional circumstances**, if specific Category B or C inspections cannot be done, they should be either recorded as Abortive or the Inspection due prompt cleared, and the SRWR will select alternative inspections in the next sampling run (sampling is run every weekend). An audit trail is maintained of all these processes. In order to enforce the maximum level for chargeable sample inspections, the SRWR will prevent the number of inspections done plus the number of inspections due exceeding the calculated sample size.

## Charging for Inspections

The SRWR provides a method of calculating the charges for sample inspections totally automatically, together with all the additional charges for defect follow-up inspections, third-party inspections, etc. Using this facility will save a lot of work preparing the charges, and will also reduce the likelihood of disagreements between the Roads Authority and the Undertaker, because the charges are guaranteed to be consistent with the audit trail of inspections that are recorded, and may be checked, on the SRWR.

The rules relating to which inspections are chargeable, and the appropriate charge rates are held within the system, and a charge is recorded against the SRWR works record for every chargeable inspection that is recorded.

The SRWR Invoice Production facility can be run by a Roads Authority, following the end of each quarter, to produce complete listings of the charges that are due for each Undertaker, together with a total figure for each Operational District.

The charge list, in final form, can be given to the finance department to raise the actual invoice. The SRWR listing can be used as an attachment to the finance department invoice, to act as justification for the level of charge. Once the process has been run, there will also be an entry in the SRWR Invoice Enquiry, which will provide a complete breakdown of the Invoice, and if required the Finance Departments external invoice number can be added to this record to provide access for any queries. The enquiry is available to both the Roads Authority and the Undertaker, and provides drill-down facilities from the invoice level to the individual inspections and works records that are included in the invoice.

Further, if the Roads Authority wishes to review all the charges prior to the production of the final invoice, the Charge Enquiry provides the means of listing the charges that are awaiting invoicing. If required, these can even be emailed to and discussed with the Undertaker in advance, and any adjustments can be made or individual charges put "on hold" pending resolution of queries.

Authorities that have implemented this system have found it very simple to use, and it has saved them numerous days of effort every quarter in comparison with the systems they were previously using. Because both authority and undertaker have reference to the same data on the SRWR and there is a full audit trail from the charges that are raised to the individual inspection records, it has also reduced the effort that was previously wasted on following up queries on the charges.

## Implementing Inspections Invoicing

Operating the invoicing process is straightforward, although it is recommended that anyone intending to do so should attend the **SRWR Specialised Administrator Workshop** training course.

In any event, **Roads Authorities should contact the Symology Support function before initiating invoicing for the first time.** The SRWR has a historical record of inspection charges covering many years. Before invoicing for the first time, it is important to clear all the charges for the periods prior to the quarter to be invoiced. This is done by producing "dummy" invoices for all the old charges, before the process is run for the first "live production". This can be done by the Roads Authority (it is suggested that instruction is sought from the Symology Support team), or Symology will do it on the Authority's behalf (Symology would require an email to authorise the clearing down of all the old charges).