

## **POLICY STATEMENT ON PURCHASE ORDERING AND INVOICE PAYMENT**

### **Introduction**

It is imperative that budget managers keep a tight control over their budgets. Control starts with commitments placed against individual budgets in the form of Purchase Orders.

### **Purchase Ordering**

1. A Purchase Order must be raised for ALL expenditure (goods/works/service) with only the following exceptions:
  - Bailiff and Recovery Agent Costs
  - Approved Fuelcard accounts
  - Concessionary fares
  - Council Tax/Business Rates
  - Commissions
  - All payments to DDC
  - NDR interest
  - Utility bills (gas/electricity/water/oil and any other metered service) telephony and Wi-Fi

For the above payments, Authorised Signatory's should code and sign the invoice and forward to [invoices@dover.gov.uk](mailto:invoices@dover.gov.uk)

2. Officers shall not give verbal orders, unless by reason of urgency (e.g. out of hours service) and any such orders must be confirmed by an official Purchase Order on the next working day.
3. All Purchase Orders must be approved by an Authorised Signature.
4. The Authorised Signatory should ensure that the order is being charged to the appropriate expenditure code.
5. It is the Authorised Signatory's responsibility to ensure the accuracy of the order. It must contain:
  - a) the full details of the supplier, (name, address, including post-code),
  - b) Complete details of the goods/works/services required, (quantities/description of goods etc)
  - c) unit prices where appropriate,
6. When an invoice is received and it matches the order exactly, provided the goods/works/service have been recorded as received within the finance system, then the Authorised Signatory will not have to authorise the invoice.

7. Where an invoice does not match the order, the invoice will be referred back to the Authorised Signatory for him to authorise the variation (if agreed).
8. Officers approving official Purchase Orders shall ensure that, where appropriate, the applicable quotation/tendering procedures outlined in Contract Standing Orders have been followed.

### **Goods Receipting**

1. It will be the responsibility of the Officer ordering the goods/works/services to ensure that arrangements are in place to confirm the delivery/completion of the goods/works/services and receipted appropriately on the finance system to facilitate the payment process.
2. Receipt of the goods/works/services will act as agreement to pay the invoice in accordance with the details recorded on the order.
3. Where goods/works/services are deficient, either in quantity or standard, this is to be reflected on the goods receipt to ensure that the payment made matches the value of goods/works/services actually received.

### **Payment of Invoices**

1. All invoices should be addressed to the Council.
2. Payments will be made through the Council's finance system.
3. The usual method of payment shall be by BACs (or cheque in extreme circumstance) from the Council's bank account. The Section 151 Officer shall expressly agree any other means.
4. If an invoice is received where an order should have been placed but was not, then the Authorised Signatory is required to raise a confirmation order effectively approving the expenditure in retrospect and explain why an order was not previously raised.
5. Where an invoice is received and the expenditure is of a type where no order is required, then the invoice will be sent to the relevant Authorised Signatory for certification.
6. The names of Officers authorised to certify invoices shall be maintained by The Strategic Director (Corporate Resources) or under arrangements controlled by him. This information will also be made available to other sections involved in the processes.
7. Before certifying an invoice, the certifying officer shall have satisfied himself that: -
  - (a) the goods, works or services to which the account relates have been received, carried out, examined and approved
  - (b) the prices, extensions, arithmetic, trade discounts, other allowances, credits and value added tax are correct
  - (c) the expenditure has been properly incurred, and a budget provision exists and has not been exceeded

(d) the account is the liability of the Council

(e) the account has not been previously paid

(f) the account has been correctly coded

8. An Officer shall not certify any account or payment made payable to himself or to a related party where he has a financial interest.

Strategic Director (Resources) Section 151 Officer