



Purchase Order Policy

Authorisation to create a purchase order

Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- The council for all items over £1,000
- A duly delegated committee of the council for items over £250 up to a value of £1,000 per month.
- The Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for items up to a value of £250 (or up to £500 in cases of emergency).

Such authority is to be evidenced by a minute or by a purchase order number issued by the Clerk and agreed by the appropriate Chairman.

All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions stated in the council's financial regulations.

Procedure for creating a purchase order

1. Each purchase order shall be allocated a reference number, and then recorded on the Purchase Order Sheet.
2. The Purchase Order Sheet should record:
 - Purchase order reference number
 - Date of order
 - Supplier name
 - Detail of goods / services ordered
 - Value of order
 - Minute reference if applicable
 - Budget expenditure code
3. A written purchase order shall be issued for all work, goods and services unless a formal contract is to be prepared, or an official order would be inappropriate. NB - A member may not issue an official order or make any contract on behalf of the council.
4. The Clerk will submit an up to date Purchase Order Sheet for examination and approval by the Councillors present on a quarterly basis.

Updating and completing a purchase order

1. Once the goods or services have been received, the Purchase Order Sheet should be updated, with the date 'delivered'. Any delivery note should be retained on file.
2. If at any time the purchase order is cancelled the Purchase Order Sheet should be updated accordingly with the date of cancellation and reason.
3. To complete a purchase order, and before it can be authorised for payment, an invoice must be received following satisfactory delivery of the goods or services. The Purchase Order Sheet should be completed by with the date 'invoiced'. Any delivery note can then be discarded. The invoice is then retained within the Payments folder and entered onto the Payments List (see Payments Policy).