Warwickshire POLICE	**POLICY**
Security Classification	Official
Disclosable under Freedom of Information Act 2000	YES

POLICY TITLE	**Ordering and Paying for Goods and Services**
REFERENCE NUMBER	**WP182**
Version	**1.1**

POLICY OWNERSHIP	
DIRECTORATE	Finance
BUSINESS AREA	Financial Accounting

INITIAL IMPLEMENTATION DATE	**March 2024**
NEXT REVIEW DATE:	**March 2026**
RISK RATING	**MEDIUM**
EQUALITY ANALYSIS	**LOW**
TIER	**2**

Warwickshire Police welcome comments and suggestions from the public and staff about the contents and implementation of this policy. Please e-mail policiesandprocedures@warwickshire.police.uk

Contents

1.0 POLICY OUTLINE

The purchase of goods and services must comply with the Police and Crime Commissioner's (PCC's) and Chief Constable's joint Financial and Contract Regulations. Proper authority to incur commitments must be obtained and budgetary control exercised.

All purchases should be entirely for the benefit of the Force and expenditure should be backed by invoice or receipt. The price paid should represent best value.

The e-financials system ensures that all orders are approved by a separate officer to the one raising the request, and the approval is as per the latest scheme of delegation.

Failure to comply with policy may result in disciplinary action for staff.

2.0 PURPOSE OF POLICY

The purpose of this policy is to ensure:

- that goods and services are available to meet the requirements of Warwickshire Police;
- that suppliers are paid accurately and on time;
- that a proper audit trail is maintained to ensure appropriate internal control is exercised over all expenditure so as to safeguard public money from loss arising through error or fraud; and
- to ensure value for money is obtained through purchasing arrangements, identifying cost savings or ensuring resources are directed to front line policing.

This will be achieved by adherence to this policy, through segregation of duties, appropriate authorisation and prompt receipting of goods and services. The policy also acts to protect officers and staff through the maintenance of a satisfactory audit trail.

Expenditure on goods and services by Warwickshire Police is significant and therefore requires an appropriate internal control framework.

3.0 IMPLICATIONS OF THE POLICY

Orders should not be issued unless there is due authority and the expenditure can be met from within the approved budget. It is important to note that for financial and budgetary control to be effective, it must be operated at the time of placing the order. By the time the invoice is received, a commitment has been incurred and although the payment process can provide a check on such control, it cannot be a substitute for it.

Warwickshire Police operates commitment accounting, which allows orders for goods and services to be identified and counted against the available budget prior to payment, which may be some time later. This supports effective budget and cash flow management. Therefore, retrospective orders should not be necessary and breach of this requirement will be investigated.

Section 8.3 of the Financial Regulations provides further detail.

Requisitioners must also consider whether they are the correct person to be ordering the goods required. For instance where the goods will either be installed into, or will form part of the fabric of a building orders should ideally go through the Estates Team to ensure that the goods are suitable, safe, and are installed correctly.

Similarly, if the goods are equipment for operational policing, the request should go through the Uniform & Equipment committee for consideration and approval.

Purchases can also carry other Health and Safety implications and if in any doubt, guidance should be sought from the Senior HSEQ & Facilities Manager.

4.0 PROCEDURE

The eFinancials system uses e-procurement to operate a purchase to pay system, which forces separation of duties and ensures the correct level of authorisation of both orders and invoices.

In principle, orders for all goods and services should be raised using e-procurement (e-proc) with a few exceptions. The exceptions include treasury brokerage, payroll / salary deductions, POCA / seized cash, witness intermediary invoices, Doctors / medical report fees, ICV invoices, invoices for deer euthanasia.

Requisitions are raised and orders approved in e-proc by separate people. Orders are receipted in e-proc when the goods have been received and are deemed as meeting the conditions set out in the order. Once the invoice is received, it is scanned into the system by the Payments Team. If the invoice matches the goods receipt, the system will automatically match the two together and process the invoice for payment, once the invoice reaches its due date.

The use of electronic invoices or scanned images by suppliers is encouraged as this avoids potential loss of paper invoices and can ensure a quicker turnaround of the invoice. It is Warwickshire Police policy to pay invoices promptly within 30 days or specific payment terms and this can only be achieved by requisitioners / approver following this procedure. Exceptions require manual intervention, which reduces capacity to deal with the routine flow of invoices and will in most cases result in late payment to the supplier.

Where the invoice does not match the goods receipt exactly, the invoice is directed into Finance Process Manager (FPM) for the requisitioner to investigate the reason for the difference and rectify accordingly (in the case of differences or for coding and approval by the relevant budget holder where no order exists). Invoices inappropriately routed through FPM will be investigated. Individuals are responsible for routinely monitoring their FPM workbenches and should remember to also look at the proxy workbench. Workflow notifications assist officers to do this.

Invoices that do not quote a PO number will be returned to the supplier asking them to add the PO number to the invoice before it can be processed and paid (this excludes the exceptional items listed above).

For payments required which do not have an invoice, a payment request must be raised via FPM. Invoices which do not require a purchase order are only allowed for certain categories of spend, as set out above.

Invoices must conform to HMRC requirements to be eligible for payment and:

- Be addressed to the Police and Crime Commissioner or Warwickshire Police
- Be an invoice and not a statement, delivery note, etc
- Be an original and not a copy. If it is a copy, there must be a separate certification that it has not been previously passed for payment after a careful check has been undertaken that this is the case.
- Contain full details of the goods / services provided and the delivery address, where appropriate
- Contain the item prices
- Contain the item quantities
- Contain the total invoice value excluding VAT
- Contain the discounts applicable
- Contain the total VAT
- Contain the total invoice value including VAT
- Contain the VAT rate
- Quote the order number, where appropriate
- Contain the full details of the supplier's name and address
- Contain the invoice date
- Contain the tax point if different from invoice date
- Contain the supplier's VAT details (where applicable)
- Contain the company registration number, for limited companies or HMRC partnership registration number or HMRC Unique Taxpayer Reference (UTR) number for self employed

Where services are purchased through a Personal Services Company (PSC), a sole trader, it is necessary to determine prior to engagement whether the PSC is inside or outside of IR35. The outcome of applying the IR35 test will determine if the PSC can be paid directly as a supplier or whether they should instead be paid as an employee through the payroll deducting PAYE and paying employers National Insurance Contributions. Advice must always be sought from the Contracts and Procurement Team regarding the engagement of PSCs and external contractors. Responsibility lies with the officer engaging the supplier for services to ensure they are engaged on appropriate terms.

The use of loyalty cards to obtains points/ gifts whilst making purchases on behalf of Warwickshire Police is strictly prohibited.

The setting up / use of PayPal accounts for transactions on behalf of Warwickshire Police are strictly prohibited.

BACS runs are made weekly, usually on a Tuesday. Priority payments can be made by exception by CHAPS / Faster Payment if required the same day but this is at the discretion of the Head of Accounting and Financial Control, taking into account relevant fees and cashflow requirements.

Warwickshire Police's standard terms and conditions are to make payments to suppliers by BACS. Cheque payments will never be made to suppliers and will only made in exceptional circumstances to individuals. For example refunds of firearms applications to individuals who have made their initial payment by cheque. These instances are expected to be extremely rare.

The process for ordering and good receipting is covered by the guidance on the Finance Intranet page under Accounting and Financial Control > Finance Systems > Requisitioners, and includes the eProcurement User Guide for Requisitioners

There are also links on this page to the Contracts & Procurement Intranet page that includes, the following useful information:

- The Procurement Cycle
- Commonly Purchased Items
- Purchasing & New Supplier Set Up
- Purchasing FAQ's
- Procurement Guides

The Contracts and Procurement Intranet page sets out all of the processes and procedures to be followed before goods or services are purchased, including the Procurement Thresholds. These Thresholds help determine the appropriate quotation / tender process that is required for your purchase and are set out in the link below:

[Intelligent Intranet (warwickshirepolice.uk)]

5.0 DOCUMENT HISTORY

Date	Author / Reviewer	Amendment(s) & Rationale	Date of Approval / Adoption
February 2024	Mike Kaine	Updated from previous alliance policy no. A191	

6.0 CONSULTATION

Head of Dep't/ Chief Officer Consulted	Date Communication Sent
Jeff Carruthers, Director of Finance	February 2024
Caroline Plane, Head of Contracts & Procurement	February 2024
Andy Oliver, Head of Financial Planning and Business Management	February 2024
Sophie James, Senior Finance Officer	February 2024

Sarah Boyle, Finance Officer, Payments and Income	February 2024
Finance Systems Team	February 2024

6.3 A summary of the extent of any consultation should be included here and should include details of bespoke interested groups, both internal and external, which have been involved in the development and/or consultation in respect of this policy e.g. with JNCC, Independent Advisory Group and relevant Business Areas.

7.0 ASSESSMENT AND ANALYSIS

7.1 Every policy and procedure will be subject of an Equality Analysis (EA), Health and Safety Assessment (HAS) and Risk Assessment (RA) to be completed by the policy writer, and will be referred to if requested by the reader. There is a separate template for this purpose available in the Policy Writers' Pack in the force document search page.

7.2 **It is compulsory to consult with, and receive a response from Risk Management, Health & Safety and Equality & Diversity as part of the Assessment form to be completed and also your Business Lead on every policy**