

No PO no pay policy

# No PO No Pay policy

## Why we have this policy

Our No PO No Pay Policy is designed to make sure that all expenditure is properly authorised throughout the organisation, and it's recorded correctly. Additional benefits of the policy are:

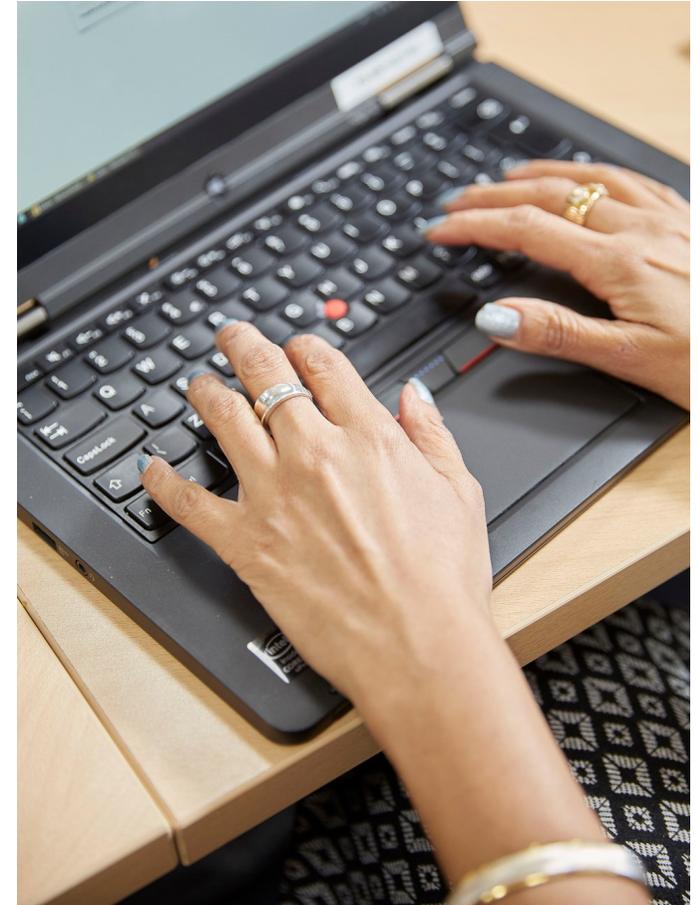
- It enables efficient processing of invoices so that we have a positive payment profile with suppliers.
- Allows accurate timely reporting, budgeting and forecasting of costs.
- Removes potential risk to Sovereign by formally agreeing the terms of engagement before the our supplier starts work with us.

# Employee responsibilities

## Employee responsibilities

All employees have a responsibility to protect Sovereign's funds and should:

- Not commit Sovereign funds without prior issue of an approved purchase order.
- Not request or purchase items for non-Sovereign business purposes.
- Use a Sovereign preferred /approved supplier at all times. All preferred/approved suppliers are set up on Agresso.
- Raise an appropriate purchase order and then pass the purchase order number to the supplier.



# Blanket purchase orders

Blanket PO's are useful for recurring purchases or where multiple invoices are likely to be received for the order. A blanket order should cover the period for the expenditure but won't cross financial years. A new blanket order should be raised to cover any subsequent periods. Whilst blanket orders are useful in avoiding the need for repeated purchase orders, they should be carefully managed to make sure proper levels of controls are maintained.

## Purchase requisitions

When raising purchase requisitions:

- Make sure the supplier you wish to contract with is set up in Agresso
- The requisition is raised for the net amount of goods and services that you want to purchase (excluding VAT)
- The following number of quotations are attached
  - Over 1k — 1 supplier quote required
  - Over 5k — 3 supplier quotes required\*
  - Over 20k — 3 supplier quotes and procurement involvement\*
- Once the goods or services have been received you'll need to 'goods receipt' to the value received to ensure prompt payment for when the invoice is submitted

# Exceptions

## Exceptions to the no PO no pay policy

Sovereign will accept an invoice without a supporting purchase order for the following types of expenditure:

- Payments to residents
- Refund of reservation fees
- Utilities i.e. water, energy, council tax, housing benefit refunds, phone tariffs and phone lines
- Planning fees and grant payments
- Invoices processed through Genero, Total and Uniclass

# Invoices



## Where to send invoices

All invoices should be addressed:

Accounts Payable,  
Sovereign Housing Association,  
Woodlands  
90 Bartholomew Street, Newbury,  
Berkshire  
RG14 5EE

## Invoice processing

Invoices received without a current valid purchase order number (or an incorrect purchase order reference) will be returned unpaid to the supplier.

The supplier will be advised to contact their Sovereign contact who requested the goods or service so they can get the correct purchase order information.

If a blanket order is issued to the supplier please make sure that the value and or date haven't expired.

## Purchase requisitions

The purchase requisition number isn't a valid purchase order as it's for internal use only which doesn't carry any financial approval.

Purchase requisition numbers shouldn't under any circumstances be provided to a supplier.

# Consequences

If the policy is breached Sovereign reserves the right to take appropriate action.

Any supplier (3rd party) providing goods or services to Sovereign without a valid purchase order do this at their own risk. Sovereign reserves the right to take necessary action to remove the supplier from their approved supplier listing.

Invoices received without a quoted valid purchase order will be returned to the supplier asking for the referencing of a valid purchase order number before payment will be considered.



If you need  
any more help...



If you would like to read the full procurement policy please click [here](#)

Please contact the Procurement team if you have any further questions: [procurement@sovereign.org.uk](mailto:procurement@sovereign.org.uk)