

Purchase Order Compliance update

- 1.1 During the Audit and Corporate Governance Committee held on 23 July 2025, committee members discussed the report Purchase Order Compliance. Committee members requested an update by Directorate with Executive Directors being in attendance.
- 1.2 The following table provides an analysis of retrospective orders by value and volume. The measurement used is the invoices that have been cleared for payment and posted to the general ledger per month for the period April 2025 to July 2025 inclusive.

Directorate	Overall Level 1 Approvers (No.)	Retrospective Level 1 Approvers (No.)	% of non-compliance	Retrospective Orders (No.)	Retrospective Orders (Gross £m)
Adults Services	17	10	59%	89	5.488
Public Health & Public Protection	11	9	82%	110	0.673
Children's Services	20	15	75%	602	11.201
Regeneration, Housing & Environment	30	28	93%	1,481	21.137
Chief Execs Office	4	2	50%	6	0.026
Corporate Resources	8	7	88%	168	4.467
Law and Governance	5	5	100%	31	0.163
Below the Line Additions	4	1	25%	36	0.132
TOTAL Retrospective	99	77	78%	2,523	43.287

- 1.3 Whilst the above table indicates a high volume of non-compliance with raising purchase orders, a number of the retrospective PO's have arisen through:
 - POs raised at point of invoice rather than at point of award of contract
 - POs being raised incorrectly to enable drawdown against a PO with multiple invoices resulting in the original PO being cancelled and a new PO being raised
 - A few occasions where the invoice date has been incorrectly processed
- 1.4 All budget holders have been reminded of their responsibilities through the budget holder support channel. DLT's are reminded to review non-compliance and ensure that this is immediate steps are taken to improve compliance. CLT have discussed the issues during their August CLT assurance meeting. During September, further training will be provided to requisitioners on how to raise PO's correctly.