Purchase Order Processing

Section 1: Aim of the Procedure
To ensure that all purchased product/materials conform to specified requirements.

Section 2: Responsibilities
All employees are responsible for ensuring that all orders are raised to the following procedure and that all purchased material is to the required specification.

All suppliers and Sub-Contractors must meet or exceed the Quality, Environmental and Health and Safety Standards relative to USSL as a minimum through USSL Policies and Procedures.

Section 3: Related Documents
- SP06 - Non-conforming Product/Materials, Corrective and Preventive Action Procedures
- POREG01 – Purchase Order Register
- POREG02 – New Supplier Form

Section 4: Purchase Order Process
Routine Purchases
- Purchase requirement identified.
- The employee raises a purchase requisition and passes it to the purchase administrator or calls the main office for a purchase order number if in the field.

  Note: In the field requests can only be made for unplanned material requisition. No tools or equipment should be added to the Purchase order unless permission is received by the appropriate Site Manager. All requests for Tools and Equipment must be made in advance through the Site Manager who will follow the purchase requisition route.

- The administrator completes the details on the requisition and gives the employee the PO number from the PO Register and completes the details on the order on the register. If the order is for more than £250 total value then it must be authorised by a director
- The purchase order administrator adds the order to the accounts system from the register.
- The employee places the order.
- The delivery note/tonnage ticket is returned to the main office.
- On receipt of the delivery note it must be checked against the purchase order to ensure additional items have not been purchased without permission. Any discrepancies must be reported to a director.
- On receipt of the invoice it is matched with the delivery note and flagged for payment on the accounts system.
- Any discrepancies are passed to the relevant manager for resolution.

Non-routine Purchases
Must be referred to a director for approval.

Section 5: Non-conforming Product/Material
Any non-conforming product/materials received is either refused or immediately quarantined. For details of the procedure to be followed see procedure QP802 Non-conforming Product/Materials, Corrective and Preventive Action.

Section 6: Supplier Approval
Suppliers are identified by the management, who establish their suitability to supply the company to the required specification. Where consultants, service providers and major plant projects are concerned the supplier may be determined by the person managing the project.

The supplier is required to complete the USSL New Supplier Form POREG02 prior to being approved by the management which will require two Directors signatures before the supplier can commence any works.

Once the New Supplier Form is complete newly identified suppliers must provide all relevant information to include but not limited to; Public Liability Insurance, Industry Accreditations, ISO certificates etc. Both Public and Employers Liability Insurance must match insurance levels identified by the required amounts that USSL are subject to on each contract.

Newly identified suppliers are sent an initial order, which is carefully monitored by the management or their representative over a 30 day period and once the probation period is completed all information is than entered into the Supplier file which is held electronically on the company accounts system in the main office, only when management are happy with the quality of supply and product. Environmental impact must be a part of the supplier assessment process. Any other relevant information, such as Liability Insurance, Accreditations, ISO certificates etc. is filed in the main office by supplier.

Management continuously monitor the approved suppliers with respect to quality, service and price and will amend a supplier's status on the Approved Supplier List as required. Existing suppliers may be required to complete a self-assessment periodically.