**CERTIFICATION BY AUTHORISED SIGNATORIES**

**AUTHORISED BY:** Chief Executive

**DATE:** August 2019

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**1 MANAGEMENT CONTROLS**

1.1 The Chief Executive and Senior Managers are required to nominate appropriate officers throughout their departments to act as authorised signatories.

1.2 Authorised signatories will be required for various activities including:

* requisitioning / ordering of goods, materials and services
* approval of orders on PECOS (and therefore approval of payment when goods and invoices relating to these orders are received)
* authorising of Non-PECOS requisitions for processing
* authorising of Proforma invoice payments

Authorised signatories should be restricted to appropriate levels of staff that have sufficient knowledge both of the operational requirement for the provision of the goods/services etc. concerned and of the need for proper certification and control. As far as possible a direct link should be maintained between budget responsibility and authority to certify expenditure.

It is essential the level of certification is commensurate with the grade/level of the post.

All Authorised signatories are required to have completed the e-learning module “East Ayrshire Leisure VAT Principles – An Overview” prior to being added to the list of Authorised signatories.

**2 CONTROL FUNCTIONS**

2.1 Nomination as an authorised signatory requires to be specific as to the scope of the authority being delegated and should not cover all certification activities.

2.2 It is essential that the principle of the internal check and segregation of duties is observed as far as possible in nominating authorised signatories, so that the authorisation is independent and complements the work of another official(s), for example:

* The officer authorised to order goods/materials and services should not also be involved in receiving the goods/services, checking their condition and acceptability and certifying the relevant invoice for payment.
* No authorised signatory should certify his own personal expenses claim - this should be done by a separate authorised signatory.

**3 SIGNATORY LIST**

3.1 Corporate Services Finance Team will maintain a list of officers nominated as authorised signatories. This will include

* + authorised signatory's name and designation
  + specimen signature
  + scope of authorisation
  + certify payments up to £5000.00
  + certify payments up to £30,000.00
  + certify payments up to £100,000.00
  + certify payments over £100,000.00 (All payments over £100,000 will require certification by two authorised signatories)

3.2 Copy lists should be held by:

* East Ayrshire Leisure Corporate Services Finance Team.
* EAC Finance Service, e.g. lists of authorised signatories for invoice certification purposes.
* EAC Procurement Team, e.g. for PECOS order approvals.
* Any other department concerned e.g. require a list of authorised signatories for requisitioning of goods/services etc.

Any requests for changes to the lists (additions, deletions, amendments etc.) should be directed to the Corporate Services Finance Team by emailing: EALFinance@eastayrshireleisure.com

All changes must be certified by the Chief Executive.

Authorised signatories cannot be self-certified there must be independent approval without exception.

The authorised signatory list will be reviewed annually by The Corporate Services Finance Team and issued to all departments to ensure an up to date list is created and issued to all relevant parties for signature.

The completed signed list will be sent to the Chief Executive for authorisation.

Thereafter a member of the Corporate Services Finance Team will forward a copy of the annual list to EAC Finance and Procurement Services. Only confirmed signatories included in the list will be considered authorised signatories for East Ayrshire Leisure.

3.3 The timetable for the annual certification of authorised signatories is as follows:

|  |  |
| --- | --- |
| Distribution of Authorised Signatory Form | August |
| Deadline for Submission To EAC Finance & Procurement Teams | September |

From the September each year the revised list will be used and only confirmed signatories included within the revised list will be considered authorised signatories.

3.4 A current list of authorised signatories is available by request at any time from the

Corporate Services Finance Team.

**4 SIGNATURE REQUIREMENT**

4.1 Certification should always be by full signature and employee number and not by initials only.

**5 AUTHORISATION OF ORDERS**

5.1 Officers authorising orders for goods/services must ensure that:

* the goods/services are required
* an appropriate budget line has been identified (all orders should state the appropriate financial ledger code, including class code where applicable).
* the financial value of the order is within the expenditure budget available.
* value for money considerations have been borne in mind
* the order is placed with an appropriate supplier, and conforms to corporate procurement guidance

5.2 With the implementation of the PECOS system throughout East Ayrshire Leisure it is necessary to have two processes for order and invoice authorisation. One for PECOS orders and another for orders out with PECOS.

5.3 **PECOS Orders**

* All Pecos orders will be processed by a designated member of the Corporate Services Finance Team.
* Orders will only be processed on receipt of an authorised requisition.
* Requisitions must be completed in accordance with Protocol 18 – Requisition/Pecos Ordering Process.
* All authorised requisitions should be emailed to [EALFinance@esatayrshireleisure.com](mailto:EALFinance@esatayrshireleisure.com)

5.4 **Non PECOS Orders**

* An official order form should be used where appropriate (unless the order is placed by means of written acceptance of a tender or offer).
* A Non Pecos Form (099) and requisition should be emailed to [EALFinance@eastayrshireleisure.com](mailto:EALFinance@eastayrshireleisure.com) to provide a detailed audit trail for the expenditure.

**6 CERTIFICATION OF INVOICES**

6.1 The Corporate Services Finance Team are responsible for ensuring that invoices for payment are duly authorised and passed timeously to EAC Creditors Team. Each invoice should be stamped with an approved authorisation grid. Authorised signatories should sign the space provided on the grid stamp matrix and also include their employee number. Invoices which are found not to be properly authorised will be returned by EAC Creditors Team for correction and this may delay payment.

6.2 Certification of invoices signifies compliance with the following conditions:

* the expenditure is on items or services which it is within East Ayrshire Leisure’s legal power to incur.
* the goods, materials, services or work to which the account relates have been received or carried out as the case may be and have been examined and approved and are in accordance with the order.
* the prices, extensions, calculations, trade discounts, other allowances, credits and VAT are correct.
* the appropriate expenditure code numbers are entered on the document for payment.
* only in appropriate circumstances shall payment be made in advance of receipt. Such payments shall require the approval of the appropriate Team Leader/Senior Manager.

6.3 Provided the invoice matches the original order and goods receipt no further authorisation of the invoices is required. Effectively the authorisation to pay was provided at the time of the approval of the original order.

6.4 Invoices that do not match the original order will require additional authorisation from an authorised signatory.

6.5 In the case of duplicate or photocopy invoices, the authorised signatory is required additionally to certify that the amounts have not been previously passed for payment.

6.6 The Chief Executive or Senior Manager shall review the appropriate level of authorisation for each signatory in order that maximum levels of authority are set. It is essential the level of certification is commensurate with the grade / level of the post.

6.7 All invoices / payment vouchers for values of £100,000 or above will require certification by two Authorised signatories (who are authorised to certify payments of over £100,000).

**7 FURTHER INFORMATION**

7.1 If you require further information regarding certification/authorised signatories, please contact an appropriate member of the Corporate Services Finance Team as undernoted.

Business Support Officer Tel (01563) 554078

Administration Co-ordinator (Finance) Tel (01563) 554079

Email: [EALFinance@eastayrshireleisure.com](mailto:EALFinance@eastayrshireleisure.com)

7.2 Additional information can also be obtained from:

[Financial Regulations](https://leisurenet/media/1398/financial-regulations.docx)

[Requisition and Pecos Ordering Protocol](https://leisurenet/media/1468/requisition-and-ordering-process.docx)