



## FINANCIAL PROCEDURES & REGULATIONS MANUAL 2021 - 2022

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<b>Last Review</b>	September 2021
<b>Applicable to:</b>	All Trust Schools
<b>Reviewed By:</b>	SD
<b>Approved By:</b>	Audit & Finance Committee September 2021

### Comments:

This policy has been reviewed in line with the requirement to revisit the document on an annual basis. Minor changes were made in line with the ESFA Academy Trust Handbook 2021. The policy reflects current government guidelines and best practice.

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## Introduction

The purpose of this manual is to ensure that The Partnership Trust maintains and develops systems of financial control, which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE).

The Partnership Trust complies with the principles of financial control outlined in the academies guidance published by the **DfE** and within the **Academies Financial Handbook, Academies Accounts Direction, Governors Handbook** and comply with the **Charities Commission Leaflet: Responsibilities of Charity Trustees (leaflet CC3)**.

This document should be considered alongside the above documents and provides detailed information on The Partnership Trust's accounting systems and procedures.

All staff involved with financial systems should read this document.

The objectives of this policy are to set guidelines for the establishment of sound and effective financial procedures by complying with the current financial regulations and adopting good working practices such as:

- establishing proper financial management arrangements and accounting procedures, in line with the OFSTED and ESFA recommendations;
- maintaining a reliable system of internal controls;
- ensuring that resources are properly allocated and that the principle of best value is adopted;
- outlining the areas of responsibility within the school;
- ensuring that the requirements of accountability are fulfilled.

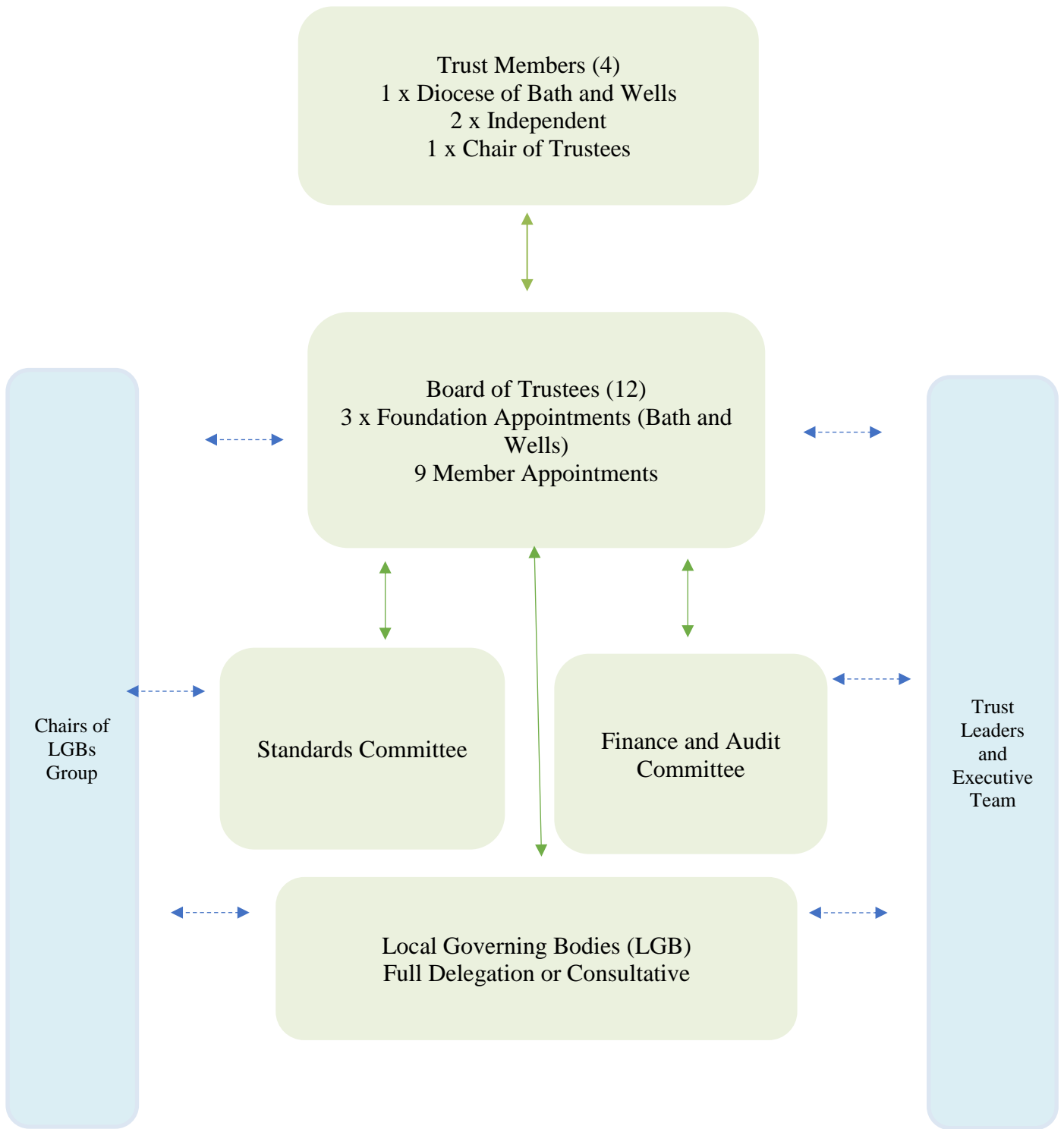
The Trust aims to operate in transparent, ethical and accountable ways in which to promote effective management.

This document has been adopted by the Board of Trustees, as the basis for the administration and management of finances.

## **The Partnership Trust Governance**

The exact detail of the governing body composition is contained in the Articles of Association and Scheme of Delegation. The Board identifies the skills and experience it needs through skills audit and addresses gaps through recruitment and/or induction, training and other development activities.

The Board of Trustees with a full awareness of Business Ethics and in particular of the Local Code of Conduct (7 Nolan Committee principles), has approved The Partnership Trust Financial Procedures & Regulations Manual. In order to ensure that Trustees, Governors at local governing body level and the school's staff are impartial and seen to act impartially, the CEO, Headteachers, Trust Business Director, School Business Managers and Finance staff are nominated to be responsible for overseeing this ethical issue:



Green boxes and solid lines indicate groups with formally delineated powers, responsibilities and duties.

Blue boxes and dashed lines indicate more informal and consultative roles to aid communication and mutual understanding across the organisation.

## Roles and Responsibilities

### **The Board of Trustees**

The Trustees are equivalent to governors in a single academy trust and fulfil the role of both company Trustees and charity trustees. Most governance decisions are made collectively through the Board of Trustees. The Board is responsible to the members, has overall responsibility for each academy in the Trust and manages the academies on behalf of the Academy Trust.

The Board recognises the importance of Trustees, governors, and staff being clear about their respective roles and responsibilities with regard to the financial management of the Multi Academy Trust. The main responsibilities of the Board are detailed in the Scheme of Delegation, Standing Orders and Terms of Reference, which have been agreed at the first Board of Trustees meeting each academic year.

The Board's key responsibilities are to:

- Ensuring clarity of vision, ethos and strategic direction
- Ensure the quality of educational provision
- Challenge and monitor the educational performance of each school
- Manage the Academy Trust's finances and property
- Approve a balanced budget and any significant changes to the budget for the financial year to 31 August
- Line Manage the CEO
- Exercise reasonable skill and care in carrying out its duties
- Operate the academy in accordance with the Funding Agreement and Supplementary Funding Agreements, that has been signed with the secretary of state.
- Ensure that the Academy Trust complies with charity and company law and adheres to Company law and charity Commission regulations.

The MAT will publish on its website up-to-date details of its governance arrangements.

The Board of Trustees delegates financial monitoring and some authorisation of in year financial decisions to the Audit Committee.

The Board of Trustees will:-

- conduct the affairs of the Trust so as to remain solvent
- provide such information as the ESFA might reasonably require so that the ESFA is satisfied that the Board is fulfilling its obligations in relation to financial management of the budget
- meet at least three times a year and adhere to the rules about the arrangements for and the conduct of each meeting as set out in the DfE Governor Handbook and Academy Trust Handbook.
- ensure that each Trustee knows to and is provided with the opportunity to notify the Trust of any business and/or personal interests they have, which require inclusion in the Register of Business Interests. Any Trustee who has an interest in a business tendering for a contract shall withdraw from the Board meeting that is considering the contract, in order not to take part in any discussion relating to the tendering process
- ensure that no Trustee of the Trust involved in awarding a contract, accepts gifts or hospitality from current or potential suppliers
- report and make appropriate recommendations,
- minutes of each meeting will be presented to the next meeting of each Local Governing Body (LGB) by the appropriate chair of governors
- ratify the annual budget and School Development Plan of each school within the MAT
- ensure that annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies
- appoint or dismiss the CEO and inform the DfE/ESFA within 14 days of vacating or appointing to the post

- appoint or dismiss the Trust Business Director.
- ensure that its members maintain strict confidentiality with respect to payroll and other sensitive information presented to them.
- Review and agree whole Trust policies
- strategic planning;
- policy change in accordance with the Academy Trust Handbook;
- ratifying the annual budget for approval and ensuring that this approval of the budget is minuted in the Board of Trustee minutes;
- regular monitoring of the financial position of the Trust and the schools within;
- authorisation of virements over £5000 (delegated to Audit and Finance Committee);
- authorisation of purchase orders over £25,000 (delegated to Audit and Finance Committee);
- tenders for contracts over £75,000 (delegated to Audit and Finance Committee);
- review in-school financial procedures on a regular basis
- ensuring links to the School Development Plan.
- ensure good financial management practices prevail
- implement and monitor sound internal and financial controls
- monitor arrangements over control of income and expenditure and use of its resources, in accordance with delegated budgets
- monitor through audit, the quality of accounting procedures
- review expenditure to see that funding from the ESFA and other sources is used only in accordance with the attached conditions
- in conjunction with the Local Governing Body of the School, issue clear directions to the Headteacher concerning the Headteacher's responsibilities for financial affairs and for reporting to the Governing Body
- ensure that each school has in place adequate internal controls and governance procedures, which meet DfE requirements
- demonstrate accountability for the way in which resources are used to meet needs identified through self-evaluation ensure that no Trustee of the Trust involved in awarding a contract, accepts gifts or hospitality from current or potential suppliers
- ensure that grants from the ESFA are used only for the purposes intended
- ensure that funds from sponsors are received according to the Trust's Funding Agreement, and are used only for the purposes intended
- ratify the annual budget and School Development Plan of each school within the MAT
- review and direct remedial action in respect of Internal Audit Service reports on the effectiveness of financial procedures and controls (delegated to the Audit and Finance Committee)
- review the monthly management accounts for the Trust as part of the MAT monitoring (delegated to the Audit and Finance Committee)
- as required review budget monitoring reports produced for LGB's and as part of the MAT monitoring (delegated to the Audit and Finance Committee)
- arrange for any insurance cover it considers necessary to ensure that its members maintain strict confidentiality with respect to payroll and other sensitive information presented to them.
- Review and approve whole Trust policies.

### **Chairman's Urgency Powers**

In the event of Urgency Powers being invoked by the Chairman, this will be recorded in writing and reported to the next meeting of the Board of Trustees.

See 'Terms of Reference' for further detail.

## Audit and Finance Committee

The Audit Committee meets at least-five times per year. The Board of Trustees have delegated financial scrutiny, monitoring and practice to the committee. Including:

- ensure good financial management practices prevail, including responsibility for the care and maintenance of the school premises and approval of budget priorities (in order to ensure value for money and to monitor expenditure)
- ensure good financial management and that each school has in place adequate internal controls and governance procedures, which meet DfE requirements
- ensure that grants from the ESFA are used only for the purposes intended
- ensure that funds from sponsors are received according to the Trust's Funding Agreement, and are used only for the purposes intended
- authorise orders over £25000
- authorisation of virements over £5000;
- implement and monitor internal and financial controls
- monitor arrangements over control of income and expenditure and use of its resources, in accordance with delegated budgets.
- understanding and addressing variances between the budget and actual income and expenditure.
- monitor through audit, the quality of accounting procedures
- review expenditure to see that funding from the ESFA and other sources is used only in accordance with the attached conditions in conjunction with the Local Governing Body of the School, issue clear directions to the Headteacher concerning the Headteacher's responsibilities for financial affairs and for reporting to the Governing Body
- Agrees any changes to the staffing structure of each school which differ from the original approved staffing structure/budget for that year.
- review and direct remedial action in respect of Internal Audit Service reports on the effectiveness of financial procedures and controls
- review the monthly management accounts for the Trust as part of the MAT monitoring (delegated to the Audit and Finance Committee)
- as required review budget monitoring reports produced for LGB's and as part of the MAT monitoring
- arrange for any insurance cover it considers necessary
- Monitoring the financial performance of the Trust and holding the Business Director to account for this.
- Review the body's internal and external financial statements and reports to ensure that they reflect best practice.
- Discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff.
- Consider all relevant reports by the appointed external auditor, including reports on the Trust's accounts, achievement of value for money and the response to any management letters.
- Review the effectiveness of the body's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner.
- Ensure that the body's internal audit service meets, or exceeds, the standards specified in the Government Academy Trust Handbook, complies in all other respects with these guidelines and meets agreed levels of service.
- Consider and advise the board on the body's annual and long-term audit programme.
- Consider internal audit reports, including value-for-money reports and the arrangements for their implementation.
- Review the operation of the Trust's code of practice for board members, code of conduct for staff and periodically review the Trust's Financial Regulations and related policies regarding Anti- Fraud and Whistleblowing.



- Monitoring the use of the pupil premium and other earmarked or dedicated funds.
- Monitoring all Human Resource aspects.
- Determination of staff pay and conditions.
- Procurement of any contract with a value in excess of £75000.
- Performance management of CEO.
- Disciplinary, capability and grievance aspects relating to CEO.
- Detailed consideration of those policies within its remit.
- Appointing non-employee members of the committee to operate as an audit committee.
- Consider any other matters where requested to do so by the board; and report at least once a year to the Board on the discharge of the above duties.
- Dealing with formal complaints against an academy in accordance with the Trust complaints policy.
- Monitoring all equality aspects including the Public Sector Equality Duty.

The Board of Trustees will receive and consider the independently audited accounts each Autumn term to cover the previous year ending 31st August. This item will be recorded in the minutes of the meeting.

### Local Governing Body

Under the Articles of Association (article 100) The Partnership Trust has appointed a Local Governing Body (LGB) as a sub-committee of the Trust Board for each Academy. Each Governing Body has delegated powers/matters according to whether the most recent OFSTED inspection judgement of the academy as outstanding/good or notice to improve/special measures. The responsibilities of the LGB are detailed in written Scheme of Delegation and Terms of Reference, which have been authorised by the Board of Trustees.

Each LGB meets at least 5 times per year and has the power to delegate responsibilities to other sub committees/working parties should it wish to do so.

The main responsibilities include:

- Guide and assist the Headteacher in all financial matters including budgeting and planning.
- The initial review and authorisation of the school's annual budget, identifying priorities from the School Development Plan, in preparation for approval by the Board of Trustees.
- The regular monitoring of actual expenditure and income against budget and challenging the Headteacher on any variances. These will be minuted within the LGB meeting minutes.
- Authorising orders £10,000 - £15,000, dependent on delegation.
- Authorising changes to the academy's personnel establishment within the agreed original structure.
- Monitoring the arrangements for effective supervision of building maintenance and minor works.

### CEO (Accounting Officer)

- Has overall executive responsibility for the activity of each individual school.
- Puts into practice the policies agreed upon by the Trust Board.
- Ensures the MAT's property and assets are under the control of the trustees and measures are in place to prevent losses or misuse including maintenance of fixed asset registers.
- Ensuring financial systems and financial records are operated by more than one person.
- Authorising orders between £15,000 and £25,000
- Ensuring full and accurate accounting records are kept to support the Trust's annual accounts
- Receives monitoring reports relative to each Academy from the Trust Business Director.

The CEO as the Accounting Officer has overall responsibility to the Board of Trustees for the financial management of all Schools in the Trust. As Accounting Officer, the CEO is personally responsible to Parliament and the ESFA for the resources under their control and must be able to assure Parliament and the public of high standards of probity in the management of public funds.

The CEO ensures that:

- The Board of Trustees is provided with financial advice
- Proper and adequate financial systems and controls are in place
- Statements and returns are prepared and maintained as required by the Trust Board, the LGB and the ESFA
- Completed financial returns are signed for submission to the ESFA, TPS, LGPS, HMRC, Charities Commission and Companies House.

### Headteacher

The Headteacher of the Academy

- Has overall executive responsibility for the Academy's activities, of which financial activities are clearly a part.
- Is responsible for internal management and discipline.
- Puts into practice the policies agreed upon by the Trust Board and the LGB of the Academy.

The Headteacher has overall responsibility to the LGB for the financial management of the School, the Headteacher ensures that:

- The LGB is provided with financial advice.
- Proper and adequate financial systems and controls are adhered to.

On a management level the Headteacher of the School is responsible for the management of:

- The School's financial position at a strategic and operational level
- Authorising orders with a cumulative value up to £10,000
- Approving new staff appointments within the approved staffing structure, except for any senior staff posts which the local governing body should approve.
- Other financial issues.

The Headteacher has the right to attend all meetings of the LGB of the School except when the regulations (i.e. School Governance (Procedures) Regulations) about withdrawal apply. It is part of the Headteacher's conditions of employment to attend Governors' meetings when requested to do so by the Governing Body.

### Trust Business Director/Chief Financial Officer

The following responsibilities are delegated to the Trust Business Director as the Chief Financial Officer, unless otherwise stated. The Trust Business Director is responsible for:

- Report to the CEO on all financial matters within the Trust.
- The operation of financial processes across the Trust, ensuring that adequate operational controls are in place, and that the principles of internal control are maintained in accordance with the Academies Financial Handbook.
- Ensuring that full, accurate and up to date records and documents are maintained in order to provide financial and statistical information and that the figures have been reconciled with the relevant Academy's bank account.
- Ensuring that all records and documents are available for delivery of the annual accounts.
- Maintaining proper records of accounts in accordance with arrangements approved by the DfE/ESFA.
- Providing financial returns for the DfE/ESFA as and when requested. Viring sums between and within budget headings up to a value of £1000 although this must be formally reported to the LGB. The Trust Business Director will also process any other virements notified to him/her as authorised by the Local Governing Body, or the Headteacher. Proper records of virements should be kept.
- Virements should be reported to the Audit Committee.
- Ensuring that all contracts and agreements conform with the Academies Financial handbook.

- Ensuring that appropriate procedures are followed in respect of opening tenders.
- Maintaining a record of all income held in the academy and ensuring it is promptly collected and accurately accounted for and banked intact.
- Ensuring that cheques received are cashed promptly and in accordance with School's Financial Regulations.
- Ensuring the correct administration and authorisation of lettings.
- Ensuring proper use of official orders, and authorising orders up to a value of £5000.
- Ensuring staff are authorised to certify payments and that invoices, vouchers and other records are retained and stored in a secure way.
- Signing cheques/authorising BACs runs, in conjunction with the Headteacher or other authorised signatory.
- Notifying the Payroll Provider of any matters affecting payments to employees of the school.
- Ensuring the maintenance of a fixed asset register with depreciation, of all items over the value of £500 per item of furniture, equipment, vehicles and plant. The register shall be a permanent and continuous record.
- Ensuring that maximum limits of cash held do not exceed the Academy's insurance cover.
- Ensuring the maintenance of a petty cash balance that does not exceed the agreed limit for each academy.
- Ensuring that all staff job descriptions are kept by the schools and reviewed on a regular basis alongside the review of Schools and Trust organisational structures.
- Ensure personnel records are up to date from appointment to exit interviews. Including issuing of contracts, amending contracts, sickness monitoring, occupational health referrals.

#### **School Business Manager / Finance Manager / Senior Finance Officer/ Finance Officer**

The finance manager/finance officer is responsible for:

- Delegated financial responsibility for the premises, central services and any other delegated budget under his/her control
- Production of reports on a timely basis
- Reconciliation of school bank and supplier accounts
- Authorisation of payments
- Ensuring that invoices, vouchers and other records are retained and stored in a secure way
- Notifying the Trust Business Director of any matters affecting payments to employees of the school.
- Ensuring that maximum limits of cash held do not exceed the School's insurance cover.
- Ensuring the receipt, care and safe custody and issue of stocks and stores.
- Ensuring the maintenance of an inventory, in accordance with the instructions in the Financial Procedures and Regulations Manual, of all items of furniture, equipment, vehicles and plant. The inventory record, whether manual or computerised, shall be a permanent and continuous record.
- Where appropriate, arranging for the security marking of such items.
- Prepares a VAT claim for the school on a monthly basis and submits to the Trust who claim as one employer.

#### **Other Staff**

Other members of staff with budget holding responsibility will have specific financial responsibilities and these are detailed in the following sections of this manual. All staff are responsible for the security of the property within each academy, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of The Partnership Trust's financial procedures.

The designated IT Manager or provider shall be responsible for the control of systems and for the security and privacy of data.

## **Financial Planning, Monitoring and Reporting**

### **Trust / School Development Plan**

The SDP provides the framework for the school annual budget. The budget is a detailed statement of the expected resources available to the individual school and the planned use of those resources for the following year. The School Development Plan (SDP) indicates how the schools' educational and other objectives are going to be achieved within the expected level of resources over the next three years. The SDP is concerned with the future aims and objectives of the trust/school and how they are to be achieved; that includes matching the school's objectives and targets to the resources expected to be available. Plans are kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.

### **Annual Budget**

The Trust Business Director is responsible for preparing the MAT budget ready for approval. The Trust Business Director will work with the Headteacher/ School Business Manager in preparing the school budget.

The LGB may not set a deficit budget. If an unplanned deficit occurs during the financial year which reserves cannot address after unspent funds from previous years are taken into account the Board of Trustees must notify the ESFA within 14 days.

The annual budget will reflect the best estimate of the resources available to the school for the forthcoming year and will detail how those resources are to be utilised. There is a clear link between the SDP objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- Forecasts of the likely number of pupils to estimate the amount of DfE grant receivable
- Review of other income sources available to the school to assess likely level of receipts
- Review of past performance against budgets to promote an understanding of the school's cost base
- Identification of potential efficiency savings
- Review of the main expenditure headings in light of expected variations in cost e.g. pay increases, inflation and other anticipated changes.

A 3 year budget forecast will be prepared by the Trust Business Director or School Business Manager and Headteacher for approval by the LGB and ratification by the Board of Trustees. The budget will be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

The approved 3 year budget forecast return must be submitted to the DfE by July each year and the Trust Business Director is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

### **Budget Monitoring and Review**

The Trust Business Director will prepare management accounts every month setting out its financial performance and position, comprising budget variance reports and cash flow forecasts with sufficient information to manage cash, debtors and creditors. The format of management accounts are adjusted to be suitable for different users including summaries and supporting narrative as appropriate.

Management accounts are shared with the CEO and Chair of Trustees every month.

The reports are shared with the Audit and Finance committee, six times per year. The LGB and Audit and Finance Committee have delegated monitoring responsibility from the Board of Trustees and will ensure appropriate action is being taken to maintain financial viability including addressing variances between the budget and actual income and expenditure. The reports are also shared with the Headteacher and LGB.

The Trust selects key financial performance indicators and measure its performance against them regularly, including analysis in its annual trustees' report as explained in the Accounts Direction.

All budget virements over £1000 must be authorised by the LGB and over £5000 must be authorised by the Board of Trustees, delegated to the audit committee.

## **Internal Control**

### **Register of Interests**

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Trustees, local governing body governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which any academy may purchase goods or services. The register is open to public inspection.

The register should include all business interests and associated parties interests, such as directorships, share holdings or other appointments of influence within a business or organisation including educational institutions and charities, which may have dealings with The Partnership Trust. The disclosures also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a governor or a member of staff by that person.

The existence of a register of business interests does not detract from the duties of Trustees, governors and staff to declare interests whenever they are relevant to matters being discussed by the Board of Trustees or a committee. The Chair of each meeting will ask if a Trustee/governor has any interest to declare. Where an interest is declared, Trustees, governors and staff will not attend that part of any committee or other meeting.

The Board of Trustees and the Local Governing Body of each school has established a register which, for each member of the group, the Headteacher and members of staff with significant financial responsibility, lists any business interests or personal interests they or any member of their immediate family have.

A Trustee/governor who has no business interest or personal interest to declare should still make an entry under their name in the register recording the interests as "none/nil".

The Partnership Trust publishes on their websites relevant business and pecuniary interests of members, trustees, local governors and accounting officers.

### **Conflict of Interests**

The Board of Trustees of The Partnership Trust has undertaken the responsibility to avoid any conflict between their business and/or personal interests and affairs and interests of the school. The Trust follows guidance form the Charity Commission in: Manage a conflict of interest in your charity and CC29: Conflicts of interest a guide for charity trustees.

### **Goods and Services for Private Use**

The Trust will avoid practices such as obtaining goods and services that may include an element of private use for Trustees, governors or staff.

### **Multi Academy Trust Central Services Contribution**

The Board of Trustees agree the % of income revenue to be contributed to the management and running costs of central services. The current contribution for the financial year 2021/22, is 4% for schools with an annual revenue budget of up to £2,000,000 and 5% for schools with an annual budget of over £2,000,000.

### **Academy Reserves**

The LGB on behalf of the Board will determine and review the level of fund reserves and for what purposes funds will be maintained within the accounts. The LGB will make a recommendation to the Board of Trustees for approval.

The Trustees plan for, manage and maintain an adequate level of financial reserves to meet the needs and identified risks of the organisation.

Each academy are requested to work towards a 4% reserve to be held centrally. Those schools who hold adequate reserves during the period 2019-2020 will allocate the full 4% contribution. Schools who do not have adequate reserves will work towards the 4% centrally held reserve from 2021/22 for a period of four years. Further detail is found in the reserves policy.

The Board, delegated to the Audit and Finance Committee, can authorise the loan of surplus reserves from the centrally held reserves to an academy. A clear business plan is required from the academy requesting the loan including clear repayment arrangements before funds are transferred.

### **Executive Pay**

The Board ensures that decisions regarding levels of executive pay follow a robust evidence-based process and reflected in the individual's role and responsibilities. No individual can be involved in deciding his or her remuneration.

The Board must discharge its responsibilities effectively, ensuring its approach to pay is transparent, proportionate and justifiable, including:

- process - that the procedure for determining executive pay is agreed by the board in advance and documented
- independence - decisions about executive pay reflect independent and objective scrutiny by the board and that conflicts of interest are avoided
- decision-making - factors in determining pay are clear, including whether performance considerations, and the degree of challenge in the role, have been taken into account

### **Whistleblowing**

The Trust has appropriate procedures in place for whistleblowing (see Whistleblowing Policy).

### **Risk Management and Business Continuity**

The Trust views risk management as an integral part of good corporate governance. It is essential in order to continue to meet high educational standards, demonstrate Best Value and protect the assets of the Trust Schools. Risk management is not about totally eliminating risk but about identifying and understanding risk and therefore managing it more effectively. The audit committee will be responsible for maintaining the Trust's Risk Register. Each academy will keep an academy version of the risk register.

A business continuity plan is held for the Trust and each Academy.

### **RPA**

The Department for Education's (DfE's) Risk Protection Arrangement (RPA) is a voluntary arrangement for academies and free schools. The RPA is not an insurance scheme but is a mechanism through which the cost of risks that materialise from 1 September 2014 will be covered by government funds.

All Academies within The Partnership Trust are members of the RPA. Additional insurance is bought by Academies for areas which are not covered by the RPA.

### **Internal Audit Service**

The Board of Trustees agrees an annual programme of internal scrutiny to provide independent assurance to the Board that its financial and other controls and risk management procedures operate effectively.

The Trust identifies on a risk-basis (with reference to the risk register) the areas it will review each year, modifying its checks accordingly, greater scrutiny will have given where procedures or systems have changed.

The Partnership Trust have appointed an Internal Audit Service (IAS). The IAS provides an independent oversight of schools' financial affairs, to review the risks to internal financial control and to agree a programme of work to address and provide assurance on those risks.

The IAS is to provide the Board of Trustees with independent assurance that:

- the financial responsibilities of the local governing bodies are being properly discharged
- resources are being managed in an efficient, economical and effective manner
- effective systems of internal financial control are being maintained
- financial considerations are fully taken into account in reaching decisions.

The internal scrutiny must focus on:

- Evaluating the suitability and level of compliance with financial and other controls.
- Offering advice and insight to the Board on how to address weaknesses in financial and other controls.
- Ensuring all categories of risk are being adequately identified, reported and managed.

The Internal Audit Service will undertake the programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Board of Trustees. A report of the findings from each visit will be presented to the audit committee. A short annual summary outlining the areas reviewed, key findings, recommendations and conclusions, to help the committee consider actions and assess year on year progress is issued to the audit committee for the period ending 31 August. The summary must be reported to the ESFA by 31 December each year when it submits its audited annual accounts.

### Central Trust Administration

#### **Payroll**

The local governing body recommends to the Trust within the annual budget, the staffing establishment for the school. Changes can only be made to this with the express approval in the first instance of the Board of Trustees (delegated to the audit committee) who must ensure that adequate budgetary provision exists for any establishment changes.

The Headteacher has authority to appoint staff within the authorised establishment except for Deputy Headteacher/ Vice Principal positions when appointments must be discussed with and approved by the LGB.

Each school maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the Trust Business Director immediately. Any staffing change which differs from the original staffing structure approved will require approval of the LGB and Audit Committee.

The Trust Business Director issues all new staff with a statement of particulars and pension details. All payroll and HR services and issues will be managed by the MAT Central Service.

#### **Payroll Administration**

The Partnership Trust payroll is administered in conjunction with Wiltshire Payroll Service.

<b>Month End</b>	School to collate all supply teacher claims, overtime, casual claims, expenses, sickness, unpaid leave and other changes, including variations to contract.
	Headteacher/SLT delegated staff to sign off all claims and changes.
	Schools to complete the Edata form from previous months payroll reports.
<b>1st of the month forms to be received from schools</b>	Schools to send completed Edate, back up evidence and separate changes form to <a href="mailto:payroll@thebathandmendippartnershiptrust.com">payroll@thebathandmendippartnershiptrust.com</a> a 7zip or password protected file.
	Trust will check all signed supply teacher claims, overtime, casual claims, expenses, sickness, unpaid leave forms match the Edata form.
	Trust will check Staff changes form: variations to contract /backpay/change of name/address/bank details

	P45's/tax information.
	Starter/leaver forms produced by HR - checked by payroll.
	Ensure monthly Childcare Voucher Reports received from relevant provider are put in the relevant schools file.
	Trust Business Director to review and approve paperwork for submission
<b>5th of the month</b>	Trust to submit information to Payroll Service - hard copies of paperwork to be kept in the correct months payroll file in the filing cabinet.
<b>14th of the month</b>	Draft SCR's received from Payroll - unzip and save to relevant months electronic payroll folder and print.
	Check all supply, overtime, travel & expenses, sleep-ins have been paid in accordance with the spreadsheet from each school.
	Check basic salary against the previous months final SCR for variances.
	Check individuals appear in the correct cost centre inform payroll of any amendments required.
	Check new starters appear in the correct cost centre and salary is correct.
	Investigate any discrepancies and send to payroll for amendment/correction.
	Final costing reports received from Payroll - School Costing Reports (SCRs), External Schools Deduction Schedule Report (ESDSR) and Combined Externals Schools Payment Summary (Comb ESPR) - print copy for the payroll file
	Check all sickness and unpaid leave has been correctly actioned.
	Pension and EIR reports received from Payroll - unzip and save to relevant months electronic folder - print copy for the payroll file.
	Check EIR reports for changes in hours, factors and grade.
	BACS memo received from Payroll - unzip and save to relevant months electronic folder - print copy for the payroll file.
	Sign into BACs payment services - print off reports and check for accuracy against Wiltshire BACs payments for pay, 3rd parties and HMRC, file with appropriate months BACs memo. Check for errors with bank account details, investigate and action.
	Using the Combined External Payment Summary complete the money transfer spreadsheet. Make transfers from each schools bank account to Fosse Way bank account on the same date the payroll bacs payment is made.
	Complete monthly payroll reconciliation spreadsheet for each school and complete journals in each schools FMS.
	Completed control account monthly reconciliations and BACs memo and reports packs to be signed off by Finance Manager and Trust Business Manager.
<b>28<sup>th</sup> Month</b>	Members of staff have access to payslips online
<b>SAS</b>	Each Academy updates the sickness insurance scheme account and make insurance claims
<b>Recharges</b>	Complete recharges spreadsheet
	Complete staff recharges
<b>Reconciliation Files</b>	The Central Trust completes the monthly payroll reconciliation spreadsheet for each school and complete journals in PSF.
<b>Post rec file monitoring</b>	Check through salary projections against actuals for each school, investigate and clear commitments
	Trust to send EIR information and Edata form to each school.



### **Avon Pension Fund**

BANES schools via ESS

- Starter
- Leaver for final pay
- Variation of contract/increase & decrease of hours.
- Change of addresses
- Opt Out
- Maternity Leave
- Check % contribution rate for changes/starters

Wiltshire Payroll completes the LGPS 50 and documentation for BANES and Somerset by last day of month.

### **Somerset Pension Fund (Peninsula)**

Somerset – hard copy

- Starter
- Leaver for final pay
- Variation of contract/increase & decrease of hours.
- Change of addresses
- Opt Out
- Maternity Leave
- Check % contribution rate for changes/starters

Wiltshire Payroll completes the LGPS 50 and documentation for BANES and Somerset by last day of month.

### **Personnel / HR**

- Vacancies – Prepare advert and application pack. Display on relevant websites.
- New Staff – All Pre-employment checks, Issue statement of particulars with pension details
- Existing Staff – new post, issue statement of particulars
- Increase in hours but same post – notification by letter
- Update SIMS.net: update new contracts with personnel numbers
- Update SEN/probation period record.

### **Payroll Reports for End of Year**

- FTE Breakdown – Temp & Perm split
- Total Number of staff – Temp & Perm split
- Payroll Costs split – Gross/ER NI/ER Pension - Temp & Perm Split
- Pension Contribution summary – LGPS & TPS, Total Gross NI & Pension

### **Avon Pension Fund / Somerset Pension Fund**

Wiltshire Payroll completes the LGPS 50 and documentation for BANES and Somerset by last day of month.

### **TPS**

Wiltshire payroll service deal with all TPS administration. TR6/8 completed and changes of address notified. Via TP secure.

### **AVCs**

Wiltshire payroll service deal with all AVC administration.

### **End of Year Annual Pension Returns**

Wiltshire payroll service will prepare the TPS and LGPS annual returns.

### **Gender Pay Gap Report**

Wiltshire payroll service will prepare the relevant information for publication.

### Service Level Agreements

All service level agreements and contracts should be approved by the Trust Business Director prior to the commencement of the contract.

### Payment Analysis Reporting

The Trust reports via the Government website every six months on qualifying contracts including:

- the average number of days taken to make payments in the reporting period, measured from the date of receipt of invoice or other notice to the date the cash is received by the supplier
- the percentage of payments made within the reporting period which were paid in 30 days or fewer, between 31 and 60 days, and in 61 days or longer
- the percentage of payments due within the reporting period which were not paid within the agreed payment period

### IR35

Governors are aware of the implications of the IR35 rules. Wherever there is a potential risk, the Employment Status Service will be used to identify if the potential contractor falls inside or outside of the IR35 rules. A record of this will be held by the school.

Where the Employment Status Service identifies the individual to be an employee, they will be treated as an employee through PAYE payroll if engaged directly by the school. If the individual is engaged through an agency, the school will confirm with the agency that the individual is being treated and paid as an employee through the agency. Where the Employment Status Service identifies the individual to be a contractor, an order will be raised and invoices will be received.

### Determining IR35

Whether a contractor is an employee in all but name may vary from client to client and from project to project. When determining this HMRC will look at the whole picture, but key factors are:

- Does the contractor have to carry out the work personally, rather than being able to send a substitute?
- Does the client have to provide the contractor with work, and/or does the contractor have to carry out any work that the client requests?
- Does the client have control over how, when and where the contractor carries out the work?

Answers of yes to these questions will indicate a quasi-employment relationship.

### Land and Buildings Collection Tool Return

The land and buildings collection tool (LBCT) is an annual return due in November, for academy trusts to tell the DfE about the land and buildings and upload any supporting documents. The Department for Education (DfE) will use this information when preparing the academies sector annual report and accounts (SARA). This will improve the quality and transparency of reporting to parliament, the National Audit Office and to the public.

This return is currently separate to the land and buildings valuation return for new academy schools, which still needs to be completed within 6 weeks of opening.

### School Resource Management self-assessment tool

The tool helps assure governing bodies and trust boards that they are meeting the right standards to achieve a good level of financial health and resource management. It can be used to identify areas for change to make sure resources are used to support high-quality teaching and the best education outcomes for pupils.

The tool consists of a checklist and a dashboard. The checklist asks questions of governing bodies and trust boards in 6 areas of resource management. The dashboard shows how a school's data compares to thresholds on a range of statistics that have been identified by the Department for Education (DfE) as indicators of good resource management and outcomes. The dashboard must be completed in order to answer the final question of the

checklist, but does not need to be submitted. The Trust completes the self-assessment tool and submits the checklist to the ESFA by the deadline of November.

### **Gifts and Hospitality**

Each Academy has established a register in which offers of gifts and hospitalities or other favours will be recorded. This register will be reviewed by the Headteacher and the Chair of Governors regularly.

Gifts and hospitalities will be declared when they are financial in nature and exceed a minimum threshold of £25 or the giver is seeking a commercial decision from the School.

Each Academy will have a delegated person responsible for maintaining the Gifts and hospitalities register.

### **Governors' Allowances (expenses)**

The Board has agreed on the following Governors' allowances (expenses):

- Travel Expenses

### **Ex-Gratia Payments**

The LGB will propose and authorise ex-gratia payments up to £500 and shall notify the Board of Trustees any amount over £500 who will authorise, approve and maintain a record of all payments.

### **Write-off of debts**

Write off of bad debts sometimes require the approval of the Secretary of State. See Academies financial handbook for guidance.

## **Management of Accounts**

### **Accounting system**

All financial transactions of schools in The Partnership Trust must be recorded on the PS Financials accounting system and if used, the unofficial school fund, Fund Manager.

- The PS Financials system consists of: Journals Nominal Ledger Bank
- Transactions
- Purchases Ledger
- Sales Ledger
- Payroll System
- Automatic update
- Manual update
- System Access

Entry to the PS Financials system is password restricted and the organisation which hosts the software is responsible for implementing a system which ensures that passwords are changed on a regular basis. Should a password be forgotten the Trust Business Director has the authority to reset the password. Access to the component parts of the PS Financials system can also be restricted and the Trust Business Director is responsible for deciding access levels for all members of staff using the system.

### **Back-up Procedures**

The SIMS system is currently hosted by SCOMIS and backups containing financial data is taken on a regular basis and held remotely. PSF is cloud based and backups containing financial data is taken on a regular basis.

### Income and Expenditure

The main sources of income for each school are the grants from the DfE, sponsors and external sources. The receipt of these sums is monitored directly by the Trust Business Director who is responsible for ensuring that all grants due to the school are collected.

### Transaction Processing

All transactions input to the accounting system are authorised in accordance with the procedures specified in this manual. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in the following sections of the manual.

Bank transactions should be input by the SBM/Finance Manager/Officer and the input should be checked, and signed to evidence this check, on both the FMS report and bank slip by the Business Director/Headteacher.

Detailed information on the operation of the MIS PS Financials can be found within the finance software package website.

### Transaction Reports

The Trust Business Director will obtain and review system reports to ensure that only regular transactions are posted to the accounting system. The report obtained and reviewed will include:

- audit trail reports
- master file amendment reports for the payroll, purchase ledger and sales ledger
- management accounts summarising expenditure and income against budget at budget holder level.

A report detailing actual expenditure against the budget will be supplied to each budget holder three weeks after the end of each month.

### Reconciliations

The Business Director is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- sales ledger control account
- purchase ledger control account
- payroll control account
- all suspense accounts and
- bank balance per the nominal ledger to the bank statement.

Any unusual or long outstanding reconciling items will be discussed with the Headteacher/SBM. The Trust Business Director/Headteacher will review and sign all reconciliations as evidence of this review.

### Purchasing

The Partnership Trust aims to achieve the best value for money from all purchases. This means the need for the correct quality, quantity and time at the best price possible. A large proportion of purchases will be paid for with public funds and there is a need to maintain the integrity of funds by following the general principles of:

- Probity, the school must demonstrable that there is no corruption or private gain involved in the contractual relationships of the school
- Accountability, the school is publicly accountable for its expenditure and the conduct of its affairs
- Fairness, that all those dealt with by the school are dealt with on a fair and equitable basis.

Segregation of duties are used whenever possible, eg: the member of staff raising the order on PS Financials should not also pay invoices. It is not, however, possible to have complete segregation of duties in all schools, due to the limitation of staffing arrangements. All orders should be signed by an authorised member of staff.

Invoices are processed by the SBM/Finance Manager/Officer and cheques/BACS require two signatories with the proviso that the person requesting the payment is not one of the signatories. It is not, however, possible to have complete segregation of duties in all schools, due to the limitation of staffing arrangements.

Trust schools are careful to apply the principles of best value for money by using known suppliers with proven capacity to provide quality, quantity and timely delivery at a competitive price.

Non-order invoices are discouraged as much as possible. Online purchasing or telephone orders should always be authorised beforehand and supported by the issue of an official order. All SLA's, licences and leases must have a PO raised as soon as possible at the beginning of the financial year or when the arrangement has been taken out.

Heads of departments are responsible for the management of their budget account within the limit of their budget and in relation to the SDP.

All purchases estimated to be above £75,000 should be put to tender. The Headteacher and Trust Business Director ensure that at least three contractors are invited to submit tenders.

The Clerk to the Governors must update a register of business interest for each member of the Local Governing Body and the Head Teacher/Principal as a standing item on the agenda for each full Governing Body meeting. An opportunity to declare business interests will be on the agenda of all meetings of the sub-committees. Information will also be published on the relevant websites.

### Routine Purchasing

Routine purchases up to £1,000 can be ordered by budget holders. A quote or price must, if possible be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier which has not been previously used this must be discussed and agreed with the Trust Business Director to decide whether further checks should be carried out on the new supplier. The central Trust will input the supplier details onto PS Financials, following relevant checks by the school.

All orders must be made, or confirmed, in writing using an official order form or requisition. Orders must bear the signature of the budget holder and must be forwarded to an authorised signatory who will check to ensure adequate budgetary provision exists before countersigning the order. Countersigned orders are recorded in PS Financials, where an order is allocated an order number and dispatched to the supplier. Evidence of the approved requisition and supporting documentation is scanned and attached to the order in PS Financials.

The budget holder must make appropriate arrangements for the delivery of goods to the school. On receipt the budget holder must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay. The GRN should be given to the SBM/Finance Manager/Officer, who will attach it to the invoice. If any goods are rejected or returned to the supplier because they are not as ordered or are of a sub-standard quality, the SBM/Finance Manager/Officer should be notified. The SBM/Finance Manager/Officer will keep a central record of all goods returned to suppliers. All invoices should be sent to the office. The invoice will be recorded by the SBM/Finance Manager/Officer in the purchase ledger within PS Financials. The SBM/Finance Manager/Officer will stamp invoices with a grid against which the following can be evidenced:

- Order number
- Supplier
- All/part Invoice
- Invoice Authorised
- Prices and Additions Correct
- Not previously passed for payment
- Cost centre code
- Net Amount
- VAT Amount
- Total Amount

- Ledger Code

Invoices will be posted in each location by the SBM/Finance Officer and copies along with relevant delivery notes/paperwork scanned and uploaded. A Trust payment list will be created on Friday morning. SBM/Finance Officers will print the payroll for their location and this will be signed by the Head or Deputy. This signed report will be scanned back to The Trust team who will create and upload the whole bacs run to the bank. This will be posted in PS and remittances emailed out from Central team.

### Ordering and Tendering for Contracts/Equipment

Value of a contract or purchase is below £5,000	Quotations or catalogue prices should be obtained where possible, to demonstrate value for money.
Value of a contract or purchase is between £5,000 and £75,000	At least three competitive written quotations should be invited from suitable suppliers. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes
value of a contract or purchase is expected to exceed £75,000	At least three tenders should be invited from suitable suppliers. Please refer to the tendering policy for further guidance.

### Authorisation

Decisions on expenditure of a cumulative value can be authorised without the need for further consultation to the levels below. However, if the purchases will result in an overspend in the respective budget area, this should be discussed and agreed with the Chair of the LGB Committee.

Authorisation Limit	
Up to £5,000	Deputy Head
Up to £10,000	Headteacher Trust Business Director
£10,001 - £15,000	LGB
£15,001 - £25,000	CEO
£25,001 and above	Trust Board

### Cash Management and Bank Accounts

The opening of all accounts must be authorised by the CEO and Chair of Trustees, including the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

### Cash Flow Forecasts

The Trust Business Director/SBM is responsible for preparing cash flow forecasts to ensure that the school has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds. Similarly, plans should be made to transfer funds from another bank account or to re-profile to cover potential cash shortages.

### Investments

Investments must be made only in accordance with written procedures approved by the Board of Trustees. All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the

investment. Additional procedures may be required to ensure any income receivable from the investment is received.

### Deposits

Particulars of any deposit must be entered onto PS Financials and banked in the usual way with details on a paying-in slip or counterfoil. The details should include:

- the amount of the deposit and
- a reference, such as the number of the receipt or the name of the debtor.

### Payment of Invoices

On receipt of invoices the SBM/Finance Manager/Officer will match with the PO and enter onto PS Financials.

The person receiving goods or services (Budget Holder) should sign the GRN and send to the SBM/Finance Manager/Officer who will on behalf of the budget holder act as the Certifying Officer and will sign next to the area "Goods received and payment authorised". Should a GRN be lost or not received, the person who has received the goods or services should sign the invoice to certify the goods have been received and payment is authorised.

#### **This certification means that:**

- The goods supplied, work done, or services rendered have been satisfactorily carried out and order complied with;
- The charges are correct and in accordance with quotations or contracts;
- All appropriate discounts have been claimed (every effort should be made to ensure that discounts are not lost) i.e. discounts for early payment;
- The account has not been previously certified for payment (photocopies, faxes or statements should NOT BE certified).

The SBM/Finance Manager/Officer is responsible for ensuring that:

- Any VAT recoverable on the payment has been identified and expenditure coded accordingly.
- Appropriate entries are made to the Fixed Asset register
- The invoice has been correctly certified and coded;
- The expenditure is covered by an approved budget provision

Invoices will be posted in each location by the SBM/Finance Officer and copies along with relevant delivery notes/paperwork scanned and uploaded. A Trust payment list will be created on Friday morning. SBM/Finance Officers will print the pay list for their location and this will be signed by the Head or Deputy. This signed report will be scanned back to The Trust team. The Trust Business Director or delegated person will check all the location pay lists against the whole Trust pay list and approve. The Trust will upload the BACS to NATWEST Bankline and the Trust Business Director or delegated member of staff will authorise the BACS run. This will be posted in PS and remittances emailed out from Central team.

On occasion where necessary the school may be required to process a payment by cheque or immediate transfer (bankline). The SFO/SBM will pass the details of the payment plus the invoices to the Central Trust who will administer the payment on their behalf.

This provision applies to all accounts, public or private, operated by or on behalf of the Board of Trustees of The Partnership Trust. Where possible, authorised signatories should not sign a cheque relating to goods or services for which they have also authorised the expenditure.

### Administration of Bank Reconciliation

Bank statements are received regularly and these are reconciled and countersigned by either the CEO the Trust Business Director on a regular basis.

Reconciliation procedures must ensure that:

- Bank transactions should be input via Nominal Receipt by the SBM/Finance Manager/Finance Officer in each location. The income will be signed and checked when bank reconciliation takes place.
- all bank accounts are reconciled to the schools cash book
- reconciliations are prepared by the Central Trust
- reconciliations are subject to an independent review carried out by the Trust Business Director or CEO. This includes signing the backup documentation to match the entries on the bank statement.
- adjustments arising are dealt with promptly.
- Any bank reconciliation discrepancies are investigated, either by the Central Trust or school where the entry is relevant.
- Where possible, staff responsible for undertaking bank reconciliations are not responsible for the processing of receipts for cash income.
- Bank accounts are not permitted to go overdrawn or negotiate for overdraft facilities.
- All cheques must bear the signatures of two approved signatories.
- BACS payments must be approved by two authorised approvers.
- The Trust Business Director maintains a list of all bank accounts held and the signatories for each.
- The opening or closing of bank accounts will only be done with the prior approval of the Board of Trustees.
- Electronic banking: Staff with access to electronic banking are issued with access cards and card readers. Cards and card readers are stored securely and in separate locations. Staff are advised not to disclose pin codes. Leavers are required to return cards and card readers upon termination and the relevant account is suspended.

### VAT

VAT is processed through a 126 claim and submitted to HMRC. The Trust must submit a claim as a group of schools. All schools are required to send their 126 claim to the Trust at the end of each month. Once the rebate has been received the Trust will reimburse each school. **Please see VAT guidelines for further guidance.**

### Tendering Procedures

The tender process will be managed by the Central Trust and will involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process. Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence. Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the Trust highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should be reported to the LGB.

### Educational Visits

A lead teacher must be appointed for each visit and informs the SBM/Finance Manager/Officer of the cost of the trip and students/pupils attending. The SBM/Finance Manager/Officer will collect the money and keep a record against a list for the visit informing the lead teacher of any students/pupils who have not paid. A record of the transactions will be held within PS Financials, School Fund or ParentPay/School Money.

### School Dinner Money

Students pay on a weekly or termly basis. The SBM/Finance Manager/Officer maintains a record and chases late payments as and when necessary. The income is entered onto PS Financials on a regular basis.

### Lettings

The Board of Trustees adopted a Trust wide policy, the LGB will review all fees and charges in relation to lettings, and propose to the Board of Trustees any changes it considers appropriate.

Within The Partnership Trust, income generated by lettings represents a small percentage of the total budget and contributes to the financial health of the establishment. Anyone who is interested in letting the facilities should complete a lettings form and return to the SBM/Finance Manager/Officer who will complete the relevant checks (eg public liability insurance). The SBM/Finance Manager/Officer will invoice on a termly basis. Governors are updated annually on lettings. It is difficult to exercise segregation of duties regarding the management of lettings. The Trust



Business Director/Finance Manager/Officer is responsible for keeping records of lettings, creating invoices and ensuring that the invoices are paid in timely fashion.

### Consultancy

Any member of staff who visits other establishments on a Consultancy basis should inform the Trust Business Director. The Trust Business Director will invoice the establishment for the member of staff's time (at cost) plus any other expenses agreed.

### Training

Individuals / Establishments attending a training course arranged by any Trust academy or the Teaching School will be invoiced after the event. If anyone cancels their place within 3 weeks of the course the cost of the place will still be charged. If cancelled before the 3 week period there is no charge.

### Catering

Income from the cafe will be collected and prepared for banking by the cafe manager. The Finance Manager will bank the cash on a weekly basis. The banking information is sent to the Trust Business Director who will maintain a record of all income and expenditure.

The meals provided to the external primary schools will be invoiced at the end of each term. The primary school informs the providing School of the number of meals required on a daily basis. The number of meals taken will be agreed with the primary school and kitchen manager on a weekly basis.

### Income

For all income the SBM/Finance Manager/Finance Officer will produce a sales invoice or enter as non-invoiced income on the FMS accounting system. The SBM/Finance Manager/Finance Officer is responsible for chasing outstanding debts and ensuring no use is made of the facilities unless payment has been made.

No debts should be written off without the express approval of the Headteacher and informing the Trust Business Director.

Official, pre-numbered receipts should be issued for all cash and cheques received where no other formal documentation exists. All cash and cheques must be kept in the safe prior to banking. Banking should take place every week or more frequently if the sums collected exceed the insurance limit on the safe.

Monies collected must be banked in their entirety in the appropriate bank account. The SBM/Finance Manager/Officer is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Headteacher/Trust Business Director.

### Cash Advance

The ESFA will pay the General Annual Grant (GAG) as a monthly allocation. The remittance is sent to the Trust on a monthly basis and this will be passed on to the school. The income should be treated as a cash book journal.

### Petty Cash Accounts

Fosse Way School and The Mendip School maintain a maximum cash balance of £400. All other schools within the MAT maintain a balance of £200. The cash is administered by the SBM/Finance Manager/Officer and is kept in the safe.

Petty cash reimbursements and cheque payment reimbursement claims: All claim forms must be completed correctly and authorised by the relevant line manager before presentation for reimbursement. Valid / legible VAT receipts should be obtained for purchases made on behalf of the school. Amounts completed on compliments slips / pieces of rough / scrap paper do not constitute a valid VAT receipt. Items paid for on a debit / credit card should be presented with an itemised receipt – not the summary sales voucher receipt. Claims above the value of £50, must be authorised by the budget holder, **prior to purchase**. Reimbursement claim forms should be presented as soon as

it is practical after the purchase of items. Goods purchased on behalf of the school should reflect school practise and be appropriate.

The only deposits to petty cash should be from cheques cashed specifically for the purpose. The receipt should be recorded in the petty cash system with the date, amount and a reference, normally the cheque number, relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.

In the interests of security, petty cash payments will be limited to £50. Higher value payments should be made by cheque directly from the main bank account as a cash book payment.

The SBM/Finance Manager/Officer or named administrator is responsible for entering all transactions into the petty cash records on a regular basis. Unannounced cash counts should also be undertaken by the Finance Manager/Officer to ensure that the cash balance reconciles to supporting documentation.

Cash received should be counted promptly, by the FM/O and put away in the fire-proof safe. Audit recommendations on safe limits and transit of money must be adhered to.

*For Fosse Way School alongside the current Petty Cash limit of £400 we are also a Petty Cash float for Post 16 managed by the Post 16 Assistant Head. The money will be locked away and petty cash handed to staff who will have completed a blank Petty Cash form and obtained signatures. The P16 Assistant Head will log all money given out on a spreadsheet. At the end of each term the P16 Assistant Head will hand back the leftover cash to the Finance Officer along with the completed spreadsheet. A Cash book journal will be entered at this stage taking into account and VAT incurred. A new float of £400 will then be given to the Assistant Head. This system has become necessary because of the volume of Petty Cash being given out to Post 16 staff who need to take students out of school for independent living skills*

## Fixed Assets

### Asset register

The LGB is responsible for the safe custody and physical control of stores and equipment and is required to monitor the inventory of moveable, non-capital assets.

The Head Teacher/Principal is responsible for ensuring that assets under their control are correctly recorded in the Asset Register.

The Asset Register is checked (at least annually).

All items purchased with a value over The Partnership Trust's capitalisation limit must be entered in an asset register. An asset register/inventory should be held at each school (although this can be managed within the same document). The asset register should include the following information:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from DfE grant and % funded from other sources)
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset.

The Asset Register helps:

- ensure that staff take responsibility for the safe custody of assets
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- to manage the effective utilisation of assets and to plan for their replacement

- help the external auditors to draw conclusions on the annual accounts and The Partnership Trust's financial system
- support insurance claims in the event of fire, theft, vandalism or other disasters.

Write-offs and disposals of assets are only authorised by the Head Teacher/Principal and reported to the Board of Trustees on an annual basis.

### Security of assets

Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores. All the items in the register should be permanently and visibly marked as The Partnership Trust's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the governing body. Inventories of The Partnership Trusts property should be kept up to date and reviewed regularly. Where items are used by The Partnership Trust but do not belong to it, this should be noted.

### Disposals

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Headteacher and, where significant, should be sold following competitive tender. The Partnership Trust must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

Disposal of equipment to staff is not encouraged as it may be more difficult to evidence how the school obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the school would need to ensure licences for software programmes have been legally transferred to a new owner. The Partnership Trust is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other assets. If the sale proceeds are not reinvested then The Partnership Trust must repay to the DfE a proportion of the sale proceeds.

All disposals of land must be agreed in advance with the Secretary of State.

### Loan of Assets

Items of The Partnership Trust property must not be removed from school premises without the authority of the Head of Department. A record of the loan must be recorded in a loan book and booked back in to the school when it is returned.

If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with The Partnership Trust's auditors.

### Procurement - Best Practice Checklist

**1.** Policies and procedures for procurement should be documented and adhered to, to ensure that the process is being carried out on a fair, open and best value basis. The documentation should describe:

- roles and responsibilities of those involved in procurement (eg governing body,
- Headteacher, Trust Business Director, other senior managers and the central finance office)

- delegated authority levels, in particular setting out the procedures to be followed for
- purchases above specified values, to ensure sufficient levels of oversight by the governing body
- arrangements to ensure segregation of duties
- how purchases are recorded (papers records and computer records (eg accounting system arrangements)).

In all cases it is important to ensure that the procedures that are set out are followed, both for routine day to day procurement, and for periodic high value items.

**2.** Where appropriate, individuals with relevant experience including the end-users (eg ICT managers, teachers) should be involved when putting together invitations to tender, or making key decisions. This will not only aid selection of the best solutions for the school, but may also help achieve buy-in by the end-users.

**3.** Procurement decisions should be clearly recorded to ensure that the decision has been reached fairly and to provide a clear audit trail:

- minutes should be taken of all relevant meetings
- the options available should be recorded
- the basis for scoring/ranking should be set out
- the individuals responsible for scoring/ranking should be identified
- the outcome of the scoring and the final decision should be recorded
- the reasons on which the decision was reached should be clearly documented.

All key documents should be retained together by The Partnership Trust. This includes:

- invitations to tender
- tenders received from bidders
- quotes obtained for smaller purchases
- papers/minutes documenting the procurement decision
- signed copies of the contracts awarded
- invoices.

Where procurement is carried out with the assistance of an external project management company (for example the initial procurement of ICT, furniture and equipment prior to moving into a new building) key documents should be transferred to, and retained by, The Partnership Trust prior to cessation of the contract with the project management company.

An asset register of all capital items should be established in an appropriate format and should be updated on a continual basis as assets are purchased. The register should include:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from DfE grant and % funded from other sources)
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset.

Updating of the register as assets are procured should ensure that it is always current and should ease the task of end of year asset verification. It should also simplify the setting of insurance levels and the handling of any claims.

A similar register should also be maintained of “attractive items” (ie items with a cost below The Partnership Trust’s capitalisation threshold) such as minor office equipment.

Fitness for purpose should be a key consideration in any procurement decision (eg ICT should be of the correct specification; fixtures and fittings should be of adequate durability).

Opportunities should be taken for bulk purchase discounts, for example by combining similar orders and purchasing across the multi academy trust.

When ordering goods an assessment of likely delivery timeframes should be made, to ensure that appropriate staff are available on site to receive them (particularly during school holidays), and that adequate space is available to locate or store the delivery.

## EU Procurement Thresholds

The European Union (EU) has introduced rules to open up public purchasing by making member states remove restrictive practices. Government departments and other public bodies are subject to these rules. They are relatively complex but in general terms include a requirement to follow a prescribed tendering procedure, to operate to a minimum timescale and a requirement to advertise contracts in the Official Journal of the European Union (OJEU) if they exceed certain financial thresholds.

The thresholds applying are:

- Goods and services: £181,302 (excluding VAT);
- Public works contracts, for the procurement of construction or civil engineering works: £4,551,413 (excluding VAT);
- Most services: £181,302

(January 2018 figures)

However some services for education, health and care are covered by the 'light touch regime' and have a threshold of £615,278. Check the list of all the [services covered by the light touch regime](#) in the legislation.

Where governing bodies are likely to enter into such contracts they will need to seek more detailed guidance and legal advice from the Department or solicitors.

## The Partnership Trust Risk Policy

### **Aims**

The Partnership Trust views risk management as an integral part of good corporate governance. It is essential in order to continue to meet high educational standards, demonstrate Best Value and protect the assets of the Trust Schools. Risk management is not about totally eliminating risk but about identifying and understanding risk and therefore managing it more effectively.

### **Policy**

The Trust's risk management objectives are to:

- Embed risk management into the culture of the Trust and its schools
- Comply with statutory obligations
- Preserve and enhance the delivery of education within its schools
- Safeguard pupils, employees and all other persons to whom the Trust and its schools have a duty of care
- Protect its property including buildings, equipment, vehicles and all other assets and resources
- Maintain effective control of public funds
- Protect the reputation of the Trust and its schools
- Support the quality of the environment.

### **Implementation**

The Board of Trustees, Governors and the Schools' Senior Leadership Teams are accountable for implementing this policy and will do so by:

- Establishing clear roles, responsibilities and reporting lines within the Trust and its schools for risk management;
- Providing a framework for recording and reviewing potential risks and associated actions;
- Reinforcing the importance of effective risk management by offering training, good practice, and other support.

### **Roles & Responsibilities**

The Board of Trustees, Local Governing Body and the Headteacher have joint responsibility for the Schools' risk management direction.

The Board of Trustees will be responsible for maintaining the school's Risk Register. It will be updated and made available to Governors to inform their decision making.

The Board of Trustees will review the School's Risk Management arrangements.

It is the responsibility of all Trustees, governors and staff to consider risks and opportunities as part of their decision making and day to day activities for the School. This will include highlighting risks & opportunities as well as implementing agreed actions.

### **Monitoring and Evaluation**

The Board of Trustees will review the School Risk Register on an annual basis (delegated to the Finance and Audit committee) with the LGB to ensure it reflects the current position for the School or as amendments are made.

## The Partnership Trust Tender Policy

### **Tender Process**

The formal tendering process should be followed for all orders which exceed £75,000. The tender process will be led and approved by The Partnership Trust.

Purchases over £181,302 may fall under EU procurement rules which require advertising in the Official Journal of the European Union. Guidance on the OJEU thresholds is given in Annex \*\*.

### **Forms of Tenders**

The tender process if valued over £75,000 will be managed and agreed with the Board of Trustees.

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.

#### Open Tender

This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Trust Business Director how best to advertise for supplier's e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering as it is most conducive to competition and the propriety of public funds.

#### Restricted Tender

This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- there is a need to maintain a balance between the contract value and administrative costs
- a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the schools requirements
- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

#### Negotiated Tender

The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:

- the above methods have resulted in either no or unacceptable tenders
- only one or very few suppliers are available
- extreme urgency exists
- additional deliveries by the existing supplier are justified.

### **Preparation for Tender**

The tender will be prepared and led by The Partnership Trust.

Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

### **Invitation to Tender**

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

An invitation to tender should include the following:



- introduction/background to the project
- scope and objectives of the project
- technical requirements
- implementation of the project
- terms and conditions of tender and
- form of response.

### **Aspects to Consider**

#### **Financial**

- Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs
- Is there scope for negotiation?

#### **Technical/Suitability**

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards
- Quality control procedures
- Details of previous sales and references from past customers.

#### **Other Considerations**

- Pre sales demonstrations
- After sales service
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

#### **Tender Acceptance Procedures**

The invitation to tender should state the date and time by which the completed tender document should be received by The Partnership Trust. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

#### **Tender Opening Procedures**

All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:

- For contracts up to £25,000 - the Trust Business Director and the Headteacher
- For contracts £25,000 - £75,000 either the Trust Business Director / Headteacher and CEO
- For contracts over £75,000 – two members of the Board of Trustees.

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

#### **Tendering Procedures**

The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process. Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence. Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the LGB highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should be reported to the LGB.

Where required by the conditions attached to a specific grant from the DfE, the department's approval must be obtained before the acceptance of a tender.

The accepted tender should be the one that is economically most advantageous to The Partnership Trust. All parties should then be informed of the decision.

**The Partnership Trust**  
**ANTI-FRAUD AND CORRUPTION POLICY**

**Summary**

This policy and procedure defines the expected conduct of all staff engaged at the Trust, whether in paid or voluntary employment, in relation to deterring and/or detecting fraud and corruption, and who to report it to.

It includes clear guidelines on what is acceptable in terms of gifts and hospitality and how these matters are declared.

Also, reference is made to other Trust policies where appropriate.

**1. Introduction:**

- 1.1 The Trust is committed to ensuring that it acts with integrity and has high standards of personal conduct. Everyone involved with the Trust has a responsibility in respect of preventing and detecting fraud. All staff and trustees have a role to play. The Trust also recognises the role of others in alerting them to areas where there is suspicion of fraud.
- 1.2 Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.
- 1.3 It is the duty of all employees and Trustees to take reasonable steps to limit the possibility of corrupt practices, and it is the responsibility of the Responsible Officer and Auditors to review the adequacy of the measures taken by the Trust to test compliance and to draw attention to any weaknesses or omissions.
- 1.4 Any investigation carried out in relation to alleged irregularities is linked to the Trust's Disciplinary procedure.

**2. Definitions:**

**2.1 Fraud**

Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf he or she acts, even if these "others" are in ignorance of the fraud. Fraud is in fact intentional deceit and for this reason it cannot include negligence.

Fraud incorporates theft, larceny, embezzlement, fraudulent conversion, false pretences, forgery, corrupt practices and falsification of accounts.

**2.2 Corruption**

The term 'corrupt practices' is defined for the purpose of this code as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by The Bath and Mendip Partnership Trust, its staff or Trustees.

**2.3 Gifts and Hospitality**

Any gifts, rewards and benefits that are disproportionately generous or that could be seen as an inducement to affect a business decision should be declared.

The acceptance of gifts and hospitality is a sensitive area where actions can easily be misconstrued. Therefore, employees' actions should be such that they would not be embarrassed to explain them to anyone.

**2.4 Irregularities fall within the following broad categories, the first three of which are criminal offences –**

- **Theft** - the dishonest taking of property belonging to another person with the intention of depriving the owner permanently of its possession;
- **Fraud** - the intentional distortion of financial statements or other records by persons internal and external to the Trust, which is carried out to conceal the misappropriation of assets or otherwise for gain;
- **Bribery and corruption (Gifts & Hospitality – see Point 5.)**- involves the offering or the acceptance of a reward, for performing an act, or for failing to perform an act, which leads to gain for the person offering the inducement;
- **Failure to observe**, or breaches of, Scheme of Delegation and Financial Regulations; Trust's Procedures which in some circumstances can constitute an irregularity, with potentially significant financial consequences.

2.5 Examples of what could constitute fraud and corruption are -

- theft of cash;
- non-receipt of income;
- substitution of personal cheques for cash;
- travelling and subsistence claims for non-existent journeys/events;
- travelling and subsistence claims inflated;
- manipulating documentation to increase salaries/wages received, e.g. false overtime claims;
- payment of invoices for goods received by an individual rather than the Trust;
- failure to observe, or breaches of, regulations and/or other associated legislation laid down by the Trust;
- unauthorised borrowing of equipment;
- breaches of confidentiality regarding information;
- failure to declare a direct pecuniary or otherwise conflicting interest;
- concealing a generous gift or reward;
- unfairly influencing the award of a contract;
- creation of false documents;
- deception;
- using position for personal reward.

The above list is not exhaustive and fraud and corruption can take many different paths. If in any doubt about whether a matter is an irregularity or not, clarification must be sought from the Finance Director/Business Manager.

2.6 Similarly, if there is concern or doubt about any aspect of a matter which involves an irregularity, or an ongoing investigation into a suspected irregularity, the best approach is to seek advice from the Headteacher.

### **3. Policy Statement:**

3.1 This policy and procedure defines Anti-Fraud & Corruption and Gifts & Hospitality and offers guidance for all staff in the Trust.

3.2 The Trust aims to be an honest and ethical institution. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts Trust business. This document sets out the Trust's policy and procedures for dealing with the risk of significant fraud or corruption. In order to minimise the risk and impact of fraud, the Trust's objectives are, firstly, to create a culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting and, secondly, to identify and document its response to cases of fraud and corrupt practices.

3.3 This policy, in line with the Trust's corporate values of integrity, consistency, impartiality, fairness and best practice, provides both staff and management with mutually understood guidelines for the administration of this procedure.

3.4 The scope of this procedure extends to all Trust employees, permanent, voluntary and fixed term.

- 3.5 Time limits specified in this document may be extended by mutual agreement.
- 3.6 If requested, employees may be accompanied by a recognised trade union representative or work colleague, not involved in any part of the process, at any interviews.

#### **4. Gifts & Hospitality:**

- 4.1 These guidelines will help you to judge what sort of gift, and what level of hospitality is acceptable.
- 4.2 The following general rules apply and must guide decisions on receipt of gifts and hospitality as an employee of the Trust:
- To accept gifts should be the exception. You may accept small ‘thank you’ gifts of token value, such as a diary, a coffee mug or bunch of flowers, not over £25 in value. Each Academy will have a delegated person responsible for maintaining the Gifts and hospitalities register, any gift or hospitality over this value for entry in the Register of Business Interests.
  - Always say “no” if you think the giver has an ulterior motive. Be sensitive to the possibility that the giver may think that even small gifts or simple hospitality will elicit a more prompt service or preferential treatment.
  - Never accept a gift or hospitality from anyone who is, or may be in the foreseeable future, tendering for any contract with the Academy, seeking employment with the Trust or is in dispute with the Trust, even if you are not directly involved in that service area.
  - Where items purchased for the Trust include a ‘free gift’, such a gift should either be used for Trust business or handed to the School Business Manger to be used for charity raffles.
  - If you are in doubt about the acceptability of any gift or offer of hospitality it is your responsibility to consult the Finance Director or Headteacher.
- 4.3 A gauge of what is acceptable in terms of hospitality is whether this Trust would offer a similar level of hospitality in similar circumstances.
- Occasional working lunches with customers, providers or partners are generally acceptable as a way of doing business provided they are not to an unreasonable level or cost.
  - Invitations to corporate hospitality events must each be judged on their merit. Provided the general rules have been taken into account, it may be acceptable to join other company/organisation guests at:
    - a. sponsored cultural and sporting events, or other public performances, as a representative of the Trust;
    - b. special events or celebrations.

But, consider the number of these events, and always take into consideration what public perception is likely to be if they knew you were attending.
  - Acceptability depends on the appropriateness of the invitations, in terms of the level of hospitality, the frequency and the status of the invited employee. In all such cases the Headteacher must be consulted.
  - Paid holidays or concessionary travel rates are not acceptable. Neither are offers of hotel accommodation nor the use of company villas/apartments.
  - If you are visiting a company to view equipment that the Trust is considering buying, you should ensure that expenses of the trip are paid by the Trust. Acceptance of refreshments and/or a working lunch may

be acceptable, but care must be taken to ensure that the Trust's purchasing and/or tender procedures are not compromised.

- Acceptance of sponsored hospitality that is built into the official programme of conferences and seminars related to your work are acceptable.
- Offers to speak at corporate dinners and social gatherings, or events organised by, for example, a professional body, where there is a genuine need to impart information or represent the Trust must be agreed in advance with a Headteacher. Where your spouse or partner is included in the invitation, and approval has been given for you to attend, it will be acceptable for your spouse or partner to attend as well, but if expenses are incurred, these will be met personally.
- Any invitation you accept should be made to you in your professional/working capacity as a representative of the Trust.
- 

## **5. Roles and Responsibilities:**

### **5.1 Staff and Trustees**

The Trust has adopted the following measures to demonstrate its commitment to anti-fraud and corruption:

- Standards and Effectiveness, Resources & Audit Committees meets regularly;
- A requirement for all staff and trustees to declare prejudicial interests and not contribute to business related to that interest;
- A requirement for staff and trustees to disclose personal interests;
- All staff and trustees are made aware of the understanding on the acceptance of gifts and hospitality;
- Clear recruitment policies and procedures.

Staff and trustees also have a duty to report another member of staff or trustee whose conduct is reasonably believed to represent a failure to comply with the above.

### **5.2 Responsible Officer**

The Responsible Officer has specific responsibility for overseeing the financial arrangements on behalf of the trustees.

The main duties of the Responsible Officer are to provide the trustees with on-going independent assurance that:

- The financial responsibilities of the trustees are being properly discharged;
- The resources are being managed in an efficient, economical and effective manner;
- Sound systems of financial control are being maintained; and
- Financial considerations are fully taken into account in reaching decisions.

### **5.3 Finance Director**

The Finance Director has a responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of The Trust.

In respect of fraud it is therefore the responsibility of the Finance Director to ensure internal controls prevent and detect any frauds promptly. This includes:

- Proper procedures and financial systems;
- Effective management of financial records;
- Management of the Trust's financial position.

#### 5.4 External Audit

The Trust's Annual Report and Financial Statements include an Independent Auditors' Report. This report includes a view as to whether the financial statements give a true and fair view and whether proper accounting records have been kept by the Trust throughout the financial year. In addition, it reports on compliance with the accounting requirements of the relevant Companies Act and confirms compliance with the financial reporting and annual accounting requirements issued by the Dept of Education.

#### **6. Reporting a Suspected Fraud:**

- 6.1 All allegations of suspected fraud and irregularities are to be brought to the attention of the Finance Director and also referred to the Headteacher, unless this individual is involved in the irregularity in which case the Chair of Trustees should be informed.

Please refer to the Trust Whistleblowing Policy for further guidance.

#### **7. Response to Allegations**

- 7.1 The Headteacher will have initial responsibility for co-ordinating the initial response. In doing this he/she will consult with the Human Resource advisors regarding potential employment issues. The Headteacher will also see legal advice from the Trust's solicitors on both employment and litigation issues before taking any further action.
- 7.2 The Finance Director and Headteacher will ascertain whether or not the suspicions aroused have substance. In every case, and as soon as possible after the initial investigation, they will pass the matter on to the Chair of Resources & Audit Committee. Even if there is no evidence to support the allegation, the matter must be reported.
- 7.3 The Audit Committee will undertake the management of the investigation.
- They will, if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required.
  - They will determine whether the findings, conclusions and any recommendations arising from the preliminary investigation should be reported to the Chair of Trustees.
  - If further investigations are required, they will determine which outside agencies should be involved (police, auditors).
- 7.4 The Headteacher is required to notify the Trustees of any serious financial irregularities. This action will be taken at the first opportunity following the completion of the initial investigations and will involve keeping the Chairman of the Trustees fully informed between committee meetings of any developments relating to serious control weaknesses, fraud or major accounting breakdowns.
- 7.5 If evidence of fraud is forthcoming then the Trustees will inform the Department for Education as required by the Funding Agreement and will consider whether or not to refer the matter to the police.

#### **8. Confidentiality and Safeguards**

- 8.1 The Trust recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the alleged malpractice. The Trust will not tolerate harassment or victimisation and will do what it lawfully can to protect an individual when a concern is raised in good faith.
- 8.2 This does not mean that if the person raising the concern is already the subject of a disciplinary, redundancy or other procedure, that those procedures will be halted as a result of the concern being reported.
- 8.3 There is a need to ensure that the process is not misused. For further guidance refer to the Trust Disciplinary, Grievance and Capability policy.

**9. Links with other Policies:**

9.1 The Trustees are committed to preventing fraud and corruption. To help achieve this objective there is a clear network of systems and procedures in place for the prevention, detection and investigation of fraud and corruption. This Anti-Fraud and Anti-Corruption policy attempts to consolidate those in one document and should be read in conjunction with the following Trust policies:

- Whistle-Blowing Policy
- Financial Procedures and Regulations
- Disciplinary Policy
- Equal Opportunities Policy



## The Partnership Trust VAT Policy

The schools' supplies are below the registration level of £85,000. The school will use the new Section 33b (Parish Councils) regulations to reclaim input tax. This allows for the reclaiming of input VAT via a special form, as opposed to an on-line VAT return. There are implications for partial exemption due to certain 'business' supplies, for instance lettings, adult meals and sale of clothing, requiring an apportionment of input expenses -purchases, light, heat, repairs etc. If the school were VAT registered we would have to charge output tax. Certain food stuffs and cleaning materials would require an apportionment of input tax.

There are two methods for calculating partial exemptions and these rules apply under Section 33b. There is a 'special method' where we would need to consult with HMRC and arrive at a 'deal'. After consultation with HMRC (Charities) the school will use the 'standard method' where a 'fair and reasonable' figure is applied. HMRC do not define 'fair & reasonable' so the school will need to show due diligence.

The total income from letting and other services are currently non-subject to VAT. The school will take advice from the school accountants when new income arises.

Within the accounting system the school has the ability to account for the various VAT rates applicable to income and expenditure.

The sales ledger is be able to code income into the following VAT categories; standard rated, zero rated, reduced rate, exempt, outside the scope of VAT and outside the scope of VAT with the right of recovery. The "outside the scope of VAT" category which may also be referred to as non-business, primarily deals with income received from the DfE and sponsors. The accounting system is capable of generating reports to identify, at cost centre level, the amount of income generated from each VAT type for each funding source together with the relevant VAT amount to establish a sufficient audit trail to identify individual invoices to support the VAT treatment.

The purchase ledger is able to identify each VAT category i.e. standard rated, zero rated, reduced rate, exempt and outside the scope and the VAT amount applicable to each invoice at the point of input. The system is capable of producing VAT reports to identify, for each cost centre, the net amount purchased and input VAT amount incurred by expenditure type on, for example, non-business activities and taxable and exempt business activities.

VAT will be reclaimed from HMRC on a monthly basis.

## The Partnership Trust FIXED ASSETS & DEPRECIATION POLICY

### Asset Register

Tangible fixed assets acquired since the Academy was established with a value over the academy's capitalisation limit must be entered in an asset register. The capitalisation limit has been set at £2000 per item. The asset register includes the following information:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from DfE grant and % funded from other sources)
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset

The Asset Register will:

- ensure that staff take responsibility for the safe custody of assets;
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
- manage the effective utilisation of assets and to plan for their replacement;
- help the external auditors to draw conclusions on the annual accounts and the academy's financial system and
- support insurance claims in the event of fire, theft, vandalism or other disasters.

### Security of Assets

Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.

All the items in the register should be permanently and visibly marked as the academy's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the governing body. Inventories of academy property should be kept up to date and reviewed regularly. Where items are used by the academy but do not belong to it this should be noted.

### Disposals

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Headteacher and, where the residual value of the asset is greater than £1000, should be sold following competitive tender. Assets inherited on establishment of the academy are assumed to be fully depreciated and are not included in the accounts. The academy must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the academy would need to ensure licences for software programmes have been legally transferred to a new owner. The academy is expected to reinvest the proceeds from all asset sales for which capital grant was

paid in other academy assets. If the sale proceeds are not reinvested then the academy must repay to the DfE a proportion of the sale proceeds.

All disposals of land must be agreed in advance with the Secretary of State.

#### Loan of Assets

Items of academy property must not be removed from academy premises without the authority of the Head of Department. A record of the loan must be recorded and booked back in to the academy when it is returned.

If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the academy's auditors

#### Depreciation

All individual items costing more than £2000 and with an expected useful life exceeding one year are capitalised.

Depreciation is charged on a straight line basis beginning in the year in which the asset is brought into use, at the following annual rates:

- |                                   |                 |
|-----------------------------------|-----------------|
| • Furniture and equipment         | 15% p.a.        |
| • Computer equipment and software | 20% p.a.        |
| • Land and buildings              | no depreciation |
| • Plants and Machinery            | 15%             |
| • Motor vehicles                  | 10% p.a.        |

Where fixed assets have been acquired with the aid of specific grants, they are included in the balance sheet at cost and are depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (on the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Grants provided to acquire fixed assets may be paid either to the academy or directly to meet the cost of the fixed asset. Where costs have been paid directly and are part of the capital project, they have been recognised as restricted fixed asset funding.

#### Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

## The Partnership Trust

### Purchasing Policy

The Partnership Trust aims to achieve the best value for money from all purchases. This means the need for the correct quality, quantity and time at the best price possible. A large proportion of purchases will be paid for with public funds and there is a need to maintain the integrity of funds by following the general principles of:

- Probity, the school must demonstrable that there is no corruption or private gain involved in the contractual relationships of the school
- Accountability, the school is publicly accountable for its expenditure and the conduct of its affairs
- Fairness, that all those dealt with by the school are dealt with on a fair and equitable basis.

### Routine Purchasing

Routine purchases up to £1,000 can be ordered by budget holders. A quote or price must, if possible be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier which has not been previously used this must be discussed and agreed with the Trust Business Director.

All orders must be made, or confirmed, in writing using an official order form. Orders must bear the signature of the budget holder and must be forwarded to an authorised signatory who will check to ensure adequate budgetary provision exists before countersigning the order. Countersigned orders are recorded in FMS, where an order is printed with an allocated order number and dispatched to the supplier.

The budget holder must make appropriate arrangements for the delivery of goods to the school. On receipt the budget holder must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay. The GRN should be given to the Finance Manager/Officer. If any goods are rejected or returned to the supplier because they are not as ordered or are of a sub-standard quality, the Finance Manager/Officer should be notified. The Finance Manager/Officer will keep a central record of all goods returned to suppliers. All invoices should be sent to the office. The invoice will be recorded by the Finance Manager/Officer in the purchase ledger within FMS. The Finance Manager/Officer will stamp invoices with a grid against which the following can be evidenced:

- Order number
- Supplier
- All/part Invoice
- Cheque number.
- Date Cheque Sent
- Invoice Authorised
- Prices and Additions Correct
- Not previously passed for payment
- Cost centre code
- Net Amount
- VAT Amount
- Total Amount
- Ledger Code

The Trust Finance Manager/Officer will input details of payments to be made to the purchase ledger and generate BACS required. BACS will be dispatched to suppliers by the Finance Manager/Officer who will file all paperwork.

BACs run are generated by the Finance Officer as invoices are already authorised. BACs runs are then 2<sup>nd</sup> authorised by the Trust Business Manager.

### Ordering and Tendering for Contracts/Equipment

Value of a contract or purchase is below £5,000	Quotations or catalogue prices should be obtained where possible, to demonstrate value for money.
Value of a contract or purchase is between £5,000 and £75,000	At least three competitive written quotations should be invited from suitable suppliers. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes
value of a contract or purchase is expected to exceed £75,000	At least three tenders should be invited from suitable suppliers. Please refer to the tendering policy for further guidance.

### Authorisation

Decisions on expenditure of a cumulative value can be authorised without the need for further consultation to the levels below. However, if the purchases will result in an overspend in the respective budget area, this should be discussed and agreed with the Chair of the LGB Committee.

Authorisation Limit	
Up to £5,000	Deputy Head
Up to £10,000	Headteacher Trust Business Director
£10,001 - £15,000	LGB
£15,001 - £25,000	CEO
£25,001 and above	Trust Board

## The Partnership Trust

### Best Value Statement

The Trustees and Governors of The Partnership Trust are committed to achieving Best Value in all decisions made. We use the principles of Best Value as they apply to securing continuous Development in the school and will:

- Regularly review the functions of the school, **challenging** how and why services are provided and setting targets and performance indicators for improvement;
- Monitor outcomes and **compare** performance with similar schools, neighbouring schools or within the school;
- **Consult** appropriate stakeholders before major decisions are made;
- Promote fair **competition** through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way;
- **Collaborate** with its partners in order to obtain high quality / good value goods and services.

The Governors will strive to ensure that the schools are using their resources effectively to meet the needs of pupils. The Best Value Statement will be updated annually to take account of school priorities.

The monitoring of Best Value activities will take place alongside the monitoring of the school budget and the School Development Plan / Ofsted Action Plan / Asset Management Plan) in the following ways:

- At meetings of the appropriate sub-committees who will meet to consider the options available for each action being evaluated.

This will ensure that adherence to Best Value principles can be demonstrated and progress will be reviewed regularly thus enabling the Governors to determine the extent of continuous improvement.

The school will focus on:

- Education functions
- Care of pupils
- Staffing
- The school environment
- Resources
- Leadership and management
- Financial management.

When considering options for goods and services governors will undertake to evaluate “total life cost” where applicable.

## The Partnership Trust

### Investment Policy

#### Purpose and scope

The purpose of the Investments Policy is to set out the processes by which Academy trustees will meet their duties under the Academy's Articles of Association and Academies Financial Handbook issued by the EFA to invest monies surplus to operational requirements in furtherance of the Academy's charitable aims and to ensure that investment risk is properly and prudently managed.

#### Definition of duties

The Academy's Articles gives Trustees the power "to expend the funds of the Trust in such manner as they shall consider most beneficial for the achievement of the Objects and to invest in the name of the Trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Objects."

Whilst the Board of Trustees (Governing Body) has responsibility for the Trust's finances, the Scheme of Delegation approved by the Governing Body delegates responsibility to the Finance and Resources Committee:

*To approve the Investments Policy to manage, control and track financial exposure, and ensure value for money; to review the trust's investments and investment policy on a regular basis.*

The Trust Business Director is responsible for producing reliable cash flow forecasts as a basis for decision making. They are responsible for making investment decisions that comply with this Policy and for providing sufficient management information to the Audit and Finance Committee so it can review and monitor investment performance.

#### Objectives

The investment objectives are:

- to achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation.
- Only invest funds surplus to operational need based on all financial commitments being met without the Academy bank account becoming overdrawn.
- By complying with this policy, all investment decisions should be exercised with care and skill and consequently be in the best interests of the Academy, commanding broad public support.

#### Investment strategy

Investment risk will be managed through asset class selection and diversification to ensure that security of deposits takes precedence over revenue maximisation.

For selection, assets will only be considered with banking institutions which have credit ratings assessed by Fitch and or Moody to show good credit quality.

To manage the risk of default, deposits should be spread by banking institution and be subject to a maximum exposure of £500,000 with any PRA authorised institution by the Bank of England (refer to Financial Conduct Authority (FCA)). Whilst this exceeds the protection limit of £75,000 provided by the FCA it is accepted that it is not always practicable to find a sufficient number of investments of this size that meet the prudent criteria outlined in this policy.

#### Spending and liquidity policy

Decisions on how much to invest and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts produced by the Director of Finance and Resources. The cash flow forecasts will take account of the annual budget and spending plans approved by the Governing Body and updated on a monthly basis.

A sufficient balance must be held in the current account so that the Academy's financial commitments can always be met without the bank account going overdrawn. The size of the balance will be determined by a forecast of future need and kept under review.

Investments for a fixed term should not normally exceed one year in order to provide flexibility for the following year's plans, unless a clear rationale is provided for exceeding one year to the benefit of the Academy.

#### **Monitoring and review**

The Academy has authorised signatories, two of which are required to sign instructions to the deposit taking institution.

The Trust Business Director will monitor the cash position and cash flow forecast and report investments held and the performance of investments against objectives to the Audit and Finance Committee at appropriate intervals, depending on the terms of the investments. For example if investments are held one year then an annual report is appropriate.

This Investment Policy has been approved by the Audit and Finance Committee and will be reviewed on an annual basis to ensure continuing appropriateness.



## The Partnership Trust

### Reserves Policy

#### Purpose of Policy

The Partnership Trust, Multi Academy Trust (MAT) will determine and review the level of fund reserves and for what purposes funds will be maintained within the accounts.

The Trustees of The Partnership Trust plan for, manage and maintain an adequate level of financial reserves to meet the needs and identified risks of the organisation.

MAT reserves may be held for two main reasons

1. As contingency against financial risks and security
2. To meet planned commitments in future years.

#### Free Reserves

A working balance (carry forward) can be held to off-set the effect of uneven cash flows or a contingency held to cushion the impact of unexpected events, e.g., pay inflation higher than budgeted, catastrophic event or machinery breakdown, shortfall in grant income. This will be set to a maximum of 10% of the schools budget.

#### General Reserves

The MAT has determined that the appropriate level of general reserves will be set at the equivalent of one month's payroll cost in each school. This will be held to off-set the effect of uneven cash flows. The payroll commitment cannot be used without the authorisation of the Audit Committee.

#### Committed Reserves

Held for specific purposes to meet known or predicted requirements. Examples include:

- Equipment or infrastructure renewal
- Capital Programmes which span over a financial year, or reserves carried forward for large capital projects
- Asset management

#### Expenditure of Reserves

The amounts held will be agreed with Local Governing Bodies and the MAT audit committee. This will be reviewed on an annual basis.

Planned expenditure from reserves and unplanned release of funds can only be actioned after agreement by the Local Governing Body and approval from the MAT audit committee.

#### Cash flow

The Trust Business Manager is responsible for monitoring cash flow forecasts to ensure the schools have sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps can be taken to invest the extra funds. The value of these balances should equate to all or most of the reserves funds. The governors delegate the responsibility of identifying such accounts and values to be invested to the CEO, Executive Principal and Trust Business Manager.

#### Monitoring of Reserves

The level of reserves and balances will be monitored monthly and details notified to Local Governing Bodies and the MAT's Audit Committee. The actual level of reserves will be included in the year end annual accounts statements.

#### Local Government Pension Scheme

In accounting for the Local Government Pension Scheme, the MAT recognizes that there is a pension fund deficit which is included in unrestricted funds. This could in theory result in a deficit in unrestricted funds; however it must be stated that an immediate liability for this amount is not crystallized. The pension deficit will be dealt with by an increase in the employer's pension contribution over a period of years and the Three Year Plan and annual budgets

must take into account these additional contributions. Therefore, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the uncommitted reserves of the School because of recognizing and accounting for the deficit.

## The Partnership Trust

### CREDIT CARD POLICY

#### Rationale

#### 1. Introduction – the Purchasing Card:

- 1.1 The Credit Card can be used as an alternative method of paying for goods that are not available through the normal purchase ordering system.

The Card offers the opportunity to improve both the focus and flexibility of purchasing procedures.

- 1.2 The School will receive a monthly statement detailing all transactions, for which one payment will be made to Nat West by Direct Debit, within 7 days.

- 1.3 A Cardholder will not be allowed to breach the rules contained within this manual regarding the use of the card.

If a VAT invoice is not obtained, then any VAT incurred cannot be reclaimed. In such circumstances, the expenditure must be allotted gross to the relevant expenditure code, until such time as a VAT invoice has been received.

#### Policy Procedures

#### 2.

- 2.1 To place an order using the credit card -

- ◆ *Ensure that the purchase is within your transaction limit (including VAT and carriage charges) and that your monthly expenditure limit has not been reached.*
- ◆ *Determine whether the supplier can accept Mastercard and is VAT capable or not.*
- ◆ *Order the goods from the supplier, quoting your Purchasing Card number and expiry date.*
- ◆ *Require the supplier to provide a priced advice / delivery note, which must be marked "Paid by Mastercard".*
- ◆ *If the supplier is not "VAT capable", it is important to request a VAT invoice, to support the transaction.*
- ◆ *Update the Transaction Log with the purchase details*

**2.2** Official orders will not be raised through SIMS FMS when ordering goods through the Credit Card. In view of this, therefore, a commitment will not be raised in the School's accounts at the time the order is placed.

### **3. Purchasing over the Internet**

**3.1** The School can use the card to make purchases over the Internet. To enable a card to be used in this way, the following circumstances must apply:

- The Audit Committee must give formal approval for the card/s to be used over the Internet,
- The Audit Committee should indicate the maximum transaction limits that should apply to such purchases and which cardholders can purchase by this means (where the school has more than one Cardholder),
- To use the card over the Internet in a way that is contrary to the guidelines, could lead to possible disciplinary action and withdrawal of the Card from that member of staff.

**3.2** In the event of a problem arising over purchasing over the Internet, the Business Director must be informed immediately. A decision will then be taken as to what further action is required, either with the Supplier or via Natwest Card.

### **4. How to complete the Transaction Log:**

**4.1** Details of each individual transaction must be entered onto a Transaction Log. This must include the VAT content of the transaction, if applicable.

**4.2** A combined Transaction Log must be completed by each individual cardholder within the School.

**4.3** A new Transaction log must be started each month, thereby ensuring that each monthly statement from Natwest is reconciled to a separate Log.

**4.4** The Transaction log must include the following details:

- Date of order,
- Supplier name,
- Short description of goods,
- Account cost code,
- Date goods received,
- Net cost / VAT / gross cost,
- Date details checked to Barclaycard statement,
- Checked by (i.e. initials of person checking).

**4.5** The cost details of each transaction (i.e. net cost / VAT / gross cost) will be entered on to the log at the time the order is placed. If these are not known at the time, the details should be entered when the priced delivery note is received.

**4.6** The goods advice/delivery note must be checked to the actual goods received, by the appointed person at each school, and certified as correct by stating "goods received" and signed. This certified delivery note will be forwarded immediately to the appropriate Cardholder.

**4.7** Should there be any discrepancies concerning the delivery, these must be identified by the appointed person at the school concerned and clearly indicated on the advice/delivery note.

**4.8** On receipt of the goods advice/delivery note, the Cardholder will check all the details to the Transaction Log and complete the Log.

**4.9** If any discrepancy is found, contact the supplier immediately to request a refund and VAT credit note. If the supplier refuses to issue a credit note pursue until agreement is reached. Enter details of the refund on your Transaction Log in red ink, remembering to deduct this credit from your total for the period.

**5. Dealing with Problems with the Supply of Goods:**

**5.1** If there is a problem with the quality and/or quantity of goods/services supplied, you must contact the supplier immediately to request a refund.

**5.2** If the supplier agrees to issue a refund, you should update your Transaction Log with the credit and ensure receipt of a VAT credit note. In addition, you should ensure that the credit appears on your next Credit Card statement.

**5.3** If agreement cannot be reached with the supplier, you should contact Natwest Credit card in order that they can pursue the matter and obtain a refund if appropriate. This also applies in cases where suppliers go into administration/close down etc. and you have not received your order.

**6. Reconciling the Monthly Purchasing Card Statement**

**6.1** Natwest, each month, will send a purchasing card expenditure statement directly to each cardholder within the School. It is important that this statement is thoroughly checked, as soon as it is received, to determine its accuracy and is reconciled to the Transaction Log.

**6.2** In particular, the following procedures must be followed:

- On receipt of the statement, check that the details of each transaction correspond with the details on your Transaction Log.
- Check that there are no erroneous entries on either the Log or Statement.
- Check that the amounts charged on the Statement match the Log.
- Entries recorded on the Log towards the end of the month, which are outstanding on the Statement, should be carried forward onto the following month's Log.
- When you have reconciled the monthly Natwest statement to your Transaction Log, the Statement, Log, any correspondence and the delivery / advice notes must be filed together.
- The Log must be signed and dated by the Finance Officer and checked by either the Principal/Business Director
- Each month, the Transaction Log, Credit card Statement and advice / delivery notes must be checked by the Cardholder's Manager (or other appointed person). Following this review, this person must certify the Transaction Log.
- It is the Cardholder's responsibility to ensure that the details on each monthly statement are correct and that any discrepancies are rectified with the supplier.
- If a discrepancy is identified which concerns a transaction not generated by the Cardholder, the details should be passed immediately to the Credit Card Administrator within the School, who will resolve the matter with the credit card direct and inform you of the outcome. Note – the Cardholder and the Administrator can be the same person.

**6.3** If a VAT invoice is not obtained, then any VAT incurred cannot be reclaimed. In such circumstances, the expenditure must be allocated gross to the relevant expenditure code, until such time as a VAT invoice has been received.

**7. Accounting Arrangements:**

**7.1** Official orders are not raised through SIMS FMS when ordering goods through the Credit Card. In view of this, therefore, a commitment will not be raised in the School's accounts at the time the order is placed.

**7.2** When the School receives its Bank Statement showing the Direct Debit payment to credit card, cash book journals will need to be carried out in order to post the expenditure details to the School's SIMS FMS accounts. These journals will require appropriate postings to both the ledger and VAT codes.

**8. Card Security/Cardholder Responsibility:**

**8.1**

- Every new Cardholder, on receipt of their Credit Card, will be required to sign an Employee Undertaking accepting responsibility for their Card and confirming that they will adhere to the procedures and controls documented in this manual.
- It is the Cardholder's responsibility to ensure that the card is kept in a safe place at all times.
- The card must only be used to purchase goods or services on behalf of the School. The card must only be used by the named Cardholder unless the School has a local protocol in place for other staff to have access to the card.
- Normally, if the Cardholder is absent from work and any deputy / colleague is not a cardholder, existing manual purchase order and invoice payment procedures must be followed during this absence.
- Any misuse of cards will be treated as gross misconduct and subject to normal disciplinary procedures.

**8.2** The Cardholder must sign the back of his/her Card in the space provided, immediately on receipt.

**8.3** If the Cardholder is leaving the School, it is the responsibility of the Principal to ensure that the Purchase Card is handed in and immediately cancelled when this person leaves. Company Natwest Card must be notified immediately and instructed to cancel the Card, by the School's "System Administrator", the person nominated on the School's original Organisation Application Form. Once cancelled with the bank, the Card must be cut into pieces and disposed of appropriately.

**9. Loss/Theft of Card:**

**9.1** In the event of loss or theft of your card, you must inform Natwest Bank immediately by telephone.

## **The Partnership Trust Gifts and Hospitality Policy**

### **Why do we have guidance on gifts and hospitality?**

Your conduct as a member of staff or a governor should never lead anyone to question your interests, or lead anyone to think that you have been influenced by gifts and hospitality. This is important because your own personal reputation and that of the School could be seriously affected if you inappropriately accept a gift or hospitality. It is also a criminal offence to demand or accept a gift or reward in return for allowing you to be influenced as a part of the school. This is why the school has guidance which applies to all staff and governors on gifts and hospitality.

### **What is a gift?**

A gift is any item or service that you receive free of charge. It also includes any goods or services which you personally are offered at a discounted rate or on terms not available to the general public.

### **What is hospitality?**

Hospitality is the offer of food, drink, accommodation or entertainment or the opportunity to attend any cultural or sporting event on terms not available to the general public.

### **What gifts or hospitality can be accepted without any approval?**

You can accept gifts and hospitality, which are small gestures and have a value of £25 or less, without the approval of the Headteacher. Gifts and hospitality of this nature do not need to be recorded in the school's Gifts and Hospitality Register.

### **What things should I think about before I decide what to do?**

You should treat with caution any offer of gift or hospitality made to you personally. In particular, think about whether there is a benefit to the school in you accepting, the scale, amount, frequency and source of the offer, the timing of the offer in relation to forthcoming decisions and whether accepting could be misinterpreted as a sign of your, or the school's, support or favour.

### **What gifts or hospitality need approval from the Headteacher or Chair of Trustees?**

Any gift or hospitality which is more than just a token, defined as a having a value of more than £30, should be politely refused or returned. You must have the prior written approval of the Headteacher if you decide to accept something which has more than this value. This should only be in exceptional circumstances. If you or your Headteacher has any concerns or doubts about the public perception that might be attached to accepting any gift or hospitality, then you must refer it to the Chair of Trustees.

### **What gifts or hospitality should never be accepted?**

You must never accept;

- \_ cash or monetary gifts.
- \_ gifts or hospitality offered to your husband, wife, partner, family member or friend
- \_ gifts or hospitality from a potential supplier or tenderer in the immediate period before tenders are invited or during the tender process.
- \_ Lavish or extravagant gifts or hospitality, even if they relate to activities in your own time.

### **What should I do if I receive a gift without warning?**

If you estimate that the gift is more than just a token you should politely and courteously decline the gift.

If you feel that it would not be appropriate to do this, you should refer the matter to your Headteacher as soon as possible and let the Headteacher decide what you should do with the gift.

Your Headteacher may decide to return the gift, may ask the Chair of Trustees for a view, or may donate the gift to a worthy local cause.

**What should I do if I get offered a gift or hospitality?**

You must make sure that all offers you receive which have a value of more than £30 are recorded in the school’s Gifts and Hospitality Register, which is kept in the school office.

**Do I need to record offers that I decline?**

Yes – all offers of gifts or hospitality, which have a value of more than £30, must be recorded in the school’s register, even if you don’t accept.

**What should I do if I am in doubt?**

If in doubt, always speak to the Headteacher. It is your responsibility to follow the school’s guidance on gifts and hospitality and to justify why you chose to accept a gift or hospitality offered to you.

**What would happen to me if I didn’t follow the guidance?**

The school could take disciplinary action against you if you failed to follow the guidance.

**THE DO’s and DON’T’s**

<b>DO</b>	<b>DON’T</b>
<p>Read and follow the guidance on gifts and hospitality.</p> <p>Seek advice from the Headteacher or Chair of Trustees if you are in doubt.</p> <p>Record all offers of gifts and hospitality which have a value of more than £30 in the School’s register, whether accepted or not.</p> <p>Treat with caution any gifts or hospitality offered to you and think very carefully before accepting anything.</p> <p>Take into account what the public’s perception would be in deciding whether or not to accept a gift or hospitality.</p> <p>Consider whether the offer is proportionate in deciding whether or not to accept hospitality from an outside body.</p> <p>Err on the side of caution when deciding whether to accept a gift or hospitality. If the thought of the acceptance makes you uncomfortable, do not accept.</p> <p>Consider paying for yourself if offered any hospitality by a supplier or third party.</p>	<p>Accept any gifts or hospitality which have a value of more than £25 without the approval of the Headteacher, or the Chair of Trustees as necessary.</p> <p>Accept gifts or hospitality in the immediate period before tenders are invited or during the tender process.</p> <p>Accept cash or monetary gifts.</p> <p>Accept a gift or hospitality as an inducement or reward.</p> <p>Accept gifts or hospitality unconnected to your work, even if the hospitality is taken in your own time.</p> <p>Accept a gift or hospitality which you or a member of the public would think is lavish, extravagant or excessive, even if the hospitality is taken in your own time.</p> <p>Accept gifts or hospitality offered to your husband, wife, partner, family member or friend.</p>



### Trust Submission Deadlines

	Submission Date Due	Sign Off Responsibility
Annual Accounts Preparation	Oct/November	Business Director /Accountants
End of year accounts	31st December	Trustees/Accountants. Displayed on website by 31 <sup>st</sup> January and filed by 31st May at Companies House
AAR - Annual Accounts Return	January	Trustees/Accountants
Gender Pay Return	March	Business Director/Trustees
Government End of Year	31st March	Business Director
LGPS Annual Members Return	31st March	Business Director
LGPS Contributions Return	31st March	Business Director
Budget Forecast Return Outturn	21 <sup>st</sup> May	Business Director
Annual Accounts Rtn Companies House	31st May	Trustees/Accountants
TPS Annual Return	31st May	Business Director
TPS EOYC	31st May	Business Director/Accountant sign off 30th September
FRS17	May/June	Business Director
Budget Forecast Return	31st July	Governors/Trustees
Annual Return Companies House	31st August	Business Director
Office for National Statistics	Quarterly	Acquisitions and Disposals of Capital Assets Survey (QCAS)
Office for National Statistics	Quarterly	Business Survey (QBS)
Office for National Statistics	Annual	Low Carbon and Renewable Energy Economy (LCREE)
Office for National Statistics	Monthly	Monthly Wages and Salaries Survey