



FINANCIAL POLICY AND PROCEDURES MANUAL

Uttoxeter Learning Trust Document Control System	
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1. Introduction

- 1.1 The purpose of this policy is to ensure that the Uttoxeter Learning Trust (ULT) maintains and develops systems of financial control, which conform to the requirements of both propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the Uttoxeter Learning Trust's Funding Agreement with the Department of Education and the current version of the Academies Financial Handbook, and statutory requirements for companies and charities. It will also protect individuals. It should be read by all staff involved with financial systems and accountability, who will all sign to acknowledge they have read it.
- 1.2 The Trust must comply with the principles of financial control outlined in the academies guidance published by the Department for Education (DfE.) This policy expands on that guidance and forms the manual detailing information on the Trust's accounting procedures and systems.
- 1.3 Compliance with this manual is mandatory and any contravention of procedures must be brought to the attention, in the first instance, of the Chief Education Officer (CEO), Headteachers or Chief Finance Officer (CFO).
- 1.4 All staff, who deal with financial matters, are trained in the appropriate procedures and records are kept of this training. All duties of staff with financial responsibilities are recorded and a note kept of who can carry out the various duties in the absence of these key members of staff.
- 1.5 All staff are aware of the ULT's Whistleblowing Policy and to whom they should report any concerns regarding malpractice and wrongdoing. Any suspected financial irregularity will be reported to the DfE.
- 1.6 The ULT Trustees annually review all controls and procedures of financial systems operating within the individual schools. A self – assessment of the financial administration and management within the schools is carried out at all levels by the Accounting Officer, Head teachers, CFO and the Local Governing Bodies which then report to the MAT via the ULT Finance Committee.

2. Principles

The Trust will manage its affairs in accordance with the high standards detailed in 'Guidance on Codes of Practice for Board Members of Public Bodies' and in line with the seven principles of public life –

- ❖ **Selflessness**
Holders of public office should take decisions solely in terms of the public interest.
- ❖ **Integrity**
Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance or their official duties
- ❖ **Objectivity**
In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefits, holders of public office should make choices on merits.
- ❖ **Accountability**
Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
- ❖ **Openness**
Holders of public office should be as open as possible about all decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interests clearly demands
- ❖ **Honesty**
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.
- ❖ **Leadership**
Holders of public office should promote and support these principles by leadership and example.

3. Organisation and Responsibilities.

The Trust has defined the responsibilities of each role/official involved in the administration of the Trust's finances to avoid the duplication or omission of functions and provide a framework of accountability for directors, governors and staff.

All trustees, members, directors, governors, and sub-committee members as well as senior staff must understand and abide by these policies and procedures. Together they have responsibility for directing the Trust's affairs, and for ensuring that it is solvent, well run, and delivering the charitable outcomes for the benefit of the public for which it has been set

3.1 Local Governing Bodies of Uttoxeter Learning Trust:

The Trust has appointed local governing bodies as subcommittees and these can have governors who are not directors of the MAT.

The Local Governing Bodies of the MAT have responsibility for the administration of the schools' finances. The main responsibilities of the local governing body are prescribed in the Funding Agreement between the school and the DfE and in the Academy's scheme of delegation.

3.2 Trust Responsibilities

The ULT Board of Directors has overall responsibility for administration of the Trust's finances, and the main financial responsibilities are prescribed in the Funding Agreement between the Trust and the Department for Education (DfE) and in the Academies Financial Handbook. (AFH)

The main responsibilities include:-

- Ensure the grant from the DfE and other restricted funding is used for the purposes intended
- Approval of the annual budget and any material changes
- Ensure a Scheme of Delegation is in place
- Ensure assets are managed
- Ensure accurate accounting records are maintained
- Ensure the budget monitoring statements are a true and accurate record of income and expenditure
- Approval of the Annual Statutory Accounts
- Appointments to key positions and roles relating to finance including the Accounting Officer, Chief Finance Officer, Internal Auditor and Accountants and Auditors

3.3 ULT Finance and Audit Committee

The main financial responsibilities of the ULT Finance and Audit Committee are detailed in its Terms of Reference which are approved by the ULT annually. These include:

- Initial review and recommendation to the Board of the annual consolidated budget;
- Regular monitoring of overall actual expenditure and income against budget;
- Ensuring the annual consolidated accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies;
- Authorising the award of contracts up to the amount stated in the Scheme of Delegation (Appendix 1)
- Reviewing the reports of the Internal and External Auditors on the effectiveness of the financial procedures and controls and make any required changes to controls and policies, and in risk management.
- To review the financial policies of the trust and where necessary make recommendations to the Board of Directors
- Making and reviewing a contingency and business continuity plan setting out what the academy trust would do to ensure the continued operation of the trust.
- Must ensure the academy trust has adequate insurance cover.

Every academy trust must have in place a process for independent checking of financial controls, systems, transactions and risks. As such the ULT Finance and Audit Committee will

- Review the reports of the Internal Auditor on the effectiveness of the financial procedures and controls. These reports must also be reported to the the Board of Directors
- Carry out an annual risk audit and propose a mitigation strategy
- Investigate any financial system failures or irregularities
- Provide assurance that resources are being managed in an efficient, economical and effective manner.
- Inform the governance statement that accompanies the trust's annual consolidated accounts and, so far as is possible, provide assurance to the external auditors.

3.4 Headteachers

Within the framework of the academy development plan, as approved by the ULT, the Head Teachers at each academy have overall responsibility for the academy's activities, including financial activities. Some of the financial responsibility has been delegated to finance staff within academies but the Headteachers still retain responsibility for:

- Ensuring Budgetary control within approved budgets
- Approving new staff appointments within the authorised establishment with the CEO approval.
- Authorising contracts, orders and virements up to the amount stated in the Scheme of Delegation (Appendix 1), reporting these decisions to the Local Governing Body or relevant Committees.
- Signing cheques as detailed in the scheme of delegation and as detailed in the bank mandate.
- Debit Card Holder
- On-Line Banking & BACS Authorisation

3.5 Accounting Officer

The Accounting Officer is personally responsible to the Trust and must:-

- assure the board of trustees that there is compliance with the Academies Financial Handbook, the Financial Authorities and all relevant aspects of company and charitable law.
- ensure that bank accounts, financial systems and financial records are operated by more than one person;
- ensure that all the trust's property is under the control of the trustees, and that measures are in place to prevent losses or misuse, including maintenance of adequate fixed asset registers;
- keep full and accurate accounting records; and
- ensure that accruals accounts are prepared, giving a true and fair view of the trust's incoming resources and application of resources during the year, and the state of affairs at the year-end, in accordance with existing accounting standards.

The Accounting Officer has the duty to take action if the Trust or Chairman is contemplating a course of action, which he or she considers an infringement of propriety or regularity. Objections should be put in writing to the Trust and details sent to the Permanent Secretary and the trust's external auditors.

Value for Money Statement

The Academy Trust's Accounting Officer is required to complete and sign a short statement each year explaining how the trust has secured value for money. This must be sent to the EFA and be published on the Academy Trust's website. It will also be placed on the DfE's website.

Regularity Statement

An Accounting Officer's statement on regularity, propriety and compliance must be included in the Academy Trust's annual report. This is a formal declaration by the Trust's Accounting Officer that they have met their personal responsibilities to Parliament for the resources under their control during the year. It includes a responsibility to ensure that public money is spent for the purposes intended by Parliament (regularity) and a responsibility to ensure that appropriate standards of conduct, behaviour and corporate governance are maintained when applying the funds under their control (propriety), a responsibility to ensure good value for money and for the efficient and effective use of all the resources in their charge. The Accounting Officer also has a responsibility to advise the board of trustees and the EFA of any instances of irregularity or impropriety, or noncompliance with the terms of the trust's funding agreement. The format of the statement is included within the EFA's Accounts Direction which is issued annually.

The Accounting Officer may delegate, or appoint others to assist in these responsibilities and record this delegation.

The Accounting Officer also has a responsibility to advise the board of trustees and the EFA of any instances of irregularity or impropriety, or non-compliance with the terms of the Trust's funding agreement.

3.6 Chief Finance Officer

All academy trusts must have a Principal Finance Officer (PFO), appointed by the trust's board, who is the trust's Chief Finance Director or Business Manager or equivalent. Key roles are:-

- the preparation of the annual accounts
- the preparation and monitoring of the budget
- technical advice
- liaison with auditors
- play both a technical and leadership role in the trust.

The Chief Finance Officer works in close collaboration with the CEO and Headteachers through whom he or she is responsible to the MAT Board. The provider also has direct access to the Trust Finance and Audit Committee. The main responsibilities of Chief Finance Officer with respect to finances are –

- Drawing up the overall MAT and trust financial plans and budget
- Management of financial issues including the establishment and operation of suitable accounting systems;
- The management of trust's financial position at strategic and operational level in conjunction with Headteachers and finance / admin officers
- The maintenance of effective systems of internal control;

- Ensuring that the annual consolidated accounts are properly presented and adequately supported by the underlying books and records of the trust;
- Preparation of monthly management accounts
- Ensuring forms and returns are sent to the DfE in line with their reporting deadlines.
- Signing cheques / authorising BACs in accordance with the Bank Mandates
- Liaison with payroll, preparation of staff claims and reconciliation of payroll data from the Trust's payroll service provider.
- Management of the Trust's Service Level Agreements
- Authorising orders and the award of contracts up to the amount stated in the Scheme of Delegation (Appendix 1)
- Signing cheques as detailed in the scheme of delegation. Debit Card Holder
- On-Line Banking & BACS Authorisation

3.7 Independent Reviewer - Internal Audit

Checks and balances need to be put in place to ensure that the financial management arrangements within the Trust are monitored. The DfE in the Academies Financial Handbook sets out a number of ways this can be achieved.

The Uttoxeter Learning Trust has determined to commission Internal Auditors, to carry out checks previously referred to as Responsible Officer checks.

Internal Auditors are appointed by the Trust to provide an independent oversight of the Trust's financial affairs. The main duty of the Internal Auditors is to provide the Trust with on-going independent assurance that:

- The financial responsibilities of the Trust are being properly discharged;
- Resources are being managed in an efficient; economic and effective manner;
- Sound systems of internal financial control are being maintained; and
- Financial risk is audited and mitigated
- Business Recovery plans are robust

A programme of checks for the Internal Auditors will be agreed with the ULT Finance and Audit Committee, in order to carry out financial reviews and to provide the Trustees, and indirectly the Department for Education, with the required assurance.

General areas for review will cover the following:

- Review that bank reconciliations have been carried out each month
- Review of monthly payroll to ensure that any changes have been appropriately authorised and agreed (refer to Finance, Personnel committee and SLT minutes)
- Check sample orders to delivery notes and invoices to ensure that the documentation is complete and has been appropriately checked and authorised.
- Check of sample payments back to invoices, orders and delivery notes to confirm they are bona fide purchases.

- Review a sample of expense claims to ensure the appropriate documentation to support the claim and that the claim is appropriately authorised.
- Review returns to Department for Education to ensure the information supplied is consistent with the underlying records and internal management reports.
- Carry out spot checks of petty cash balances and supporting vouchers
- Review all major contracts and ensure formal tender procedures exist and are being followed.

3.8 Finance / Admin Officers

The Finance / Admin Officers at each Academy work in close collaboration with Chief Finance Officer.

The main responsibilities include: -

- Day to day running of school finances
- Petty cash management – (TAHS only)
- Cash collection - school trips and dinner monies etc.
- Banking
- Order and invoice processing
- Financial record keeping through HCSS Finance System
- Printing off reports from HCSS
- Reporting to their Headteacher on financial position re orders
- Ensuring the staff establishment is up to date.

3.9 Other Staff

All staff are responsible for the security of the Trust's property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and conformity with the requirements of the Trust's financial procedures.

3.10 Register of Business Interests

It is vital that directors, members, governors, sub-committee members and staff act, and are seen to act, impartially, and are therefore required to complete a declaration of business interest's return. The Headteachers and other senior staff are also required to complete this declaration.

Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as a parent, spouse, child, cohabitee and business partner where that person could exert influence over a governor or member of staff.

The existence of a register of business interests does not of course detract from the duties of the Governors and staff to declare interests whenever they are relevant to matters being discussed by any Board or a Committee. According to the Articles both direct and indirect conflicts of interests must be declared.

A direct interest is where he or she might gain a personal (usually financial) benefit and an indirect interest is where there is no direct benefit but the person has a connection with another organisation that might gain, or a relative or friend who might gain.

Where an interest has been declared, that person(s) should not attend that part of the meeting and this should be recorded in the minutes.

It is the role of the Clerk to the Board of Directors, and the Local Governing Bodies clerks to ensure the Register of Business Interests is up to date and that all meeting agendas have declaration of interests at the start of the meeting.

4. Financial Planning

All academy trusts must prepare financial plans so as to secure the academy trust's short-term and long-term financial health.

Chief Finance Officer will prepare both medium and short-term financial plans. These plans are prepared to inform the trust's strategic development planning processes for the next 3 years. The Trust's Strategic Plan identifies the development plan priorities over the medium term and the expected level of resources available.

The Trust's Annual Improvement Plan provides the framework for the annual budget. The Annual budget is a detailed statement of the expected resources available to the Trust and the planned use of those resources during the year

5. Setting the Annual Budget

The Trust must have the full board to approve a balanced budget for the forthcoming financial year and must minute the approval.

The budget process follows an annual planning annual cycle which is contained in **Appendix 2**.

The Chief Finance Officer, in liaison with the Headteachers, is responsible for preparing and obtaining approval for the annual budget. The approved budget must be submitted to the DfE by the published timetable each year.

The Chief Finance Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures the submission date published by the DfE is met.

The annual budget will reflect the best estimate of the resources available to the trust for the forthcoming year and will detail how those resources will be utilised establishing clear links to support the objectives identified in the School Improvement Plans.

The budget planning process will incorporate the following elements: -

- Forecasts of likely pupil numbers to estimate the amount of DfE grant receivable
- Review of other income sources
- Review of past performance against budgets

- Identification of potential efficiency and budget containment actions
- Annual review of expenditure headings to reflect known changes and expected variations in costs e.g. pay increases, inflation or other anticipated changes.

The draft budgets should be presented to the Head Teachers, Local Governing Boards, the ULT Finance and Audit Committee and finally the MAT Trust Board together with a supporting report for approval. Once the budget is agreed this should be communicated to all responsible budget holders to ensure they are 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. Any significant revision should be reported to the Local Governing Boards Finance Committee and on to the ULT Finance and Audit Committee and then the Board. Any prior substantial changes must be approved in accordance with the Scheme of Delegation – Appendix 1.

6. Budget Management

The Chief Finance Officer will have responsibility to reconcile all Bank Accounts and Budgets monthly in conjunction with the Finance / Admin Officers.

The Headteachers, Finance Committees, Local Governing Boards and the MAT Board will receive termly budget monitoring reports from the Chief Finance Officer or Finance/Admin Officers, on current spend against budget and forecast outturn expenditure. Recommendations will be suggested regarding appropriate action to be taken to correct any significant over or under spending and plans formulated for consideration at the Local Governing Board / Local Governing Board Finance Committee.

The Headteachers may delegate elements of the budget to staff where this is appropriate. These budget holders must operate within the same objectives and controls as those agreed for the Trust as a whole. Delegated budget holders will be provided with sufficient information to enable them to perform adequate monitoring and control. Such budget holders are accountable to the Headteachers who are responsible for ensuring mechanisms exist to enable such delegated budgets to be monitored and managed. The HCSS finance system will allow access to live information in line with the scheme of delegation.

Any potential overspends against the budget must in the first instance be discussed with the Chief Finance Officer. The HCSS financial accounting system will not permit payments to be made against an overspent budget without the approval of the Headteacher and the Chief Finance Officer.

The ULT Finance and Audit Committee will continually monitor the quality of the financial information presented to the Committee to ensure that what is provided remains appropriate, particularly in terms of its timing, level of detail and narrative.

The Original Budget must be set in the HCSS Accounting System and up-to-date changes monitored against a master budget which will record in-year changes. An audit trail of all virements made after the approval of the original budget must be made.

7. Accounting System

7.1 Financial Accounting System

The Trust uses the HCSS Financial Accounting System and all financial transactions must be recorded using this system. Access rights are defined for each user with a unique ID and password. Users are detailed in the Scheme of Delegation (Appendix 1).

All financial transactions relating to the Trust's budget must be recorded using HCSS. There must be a clear audit trail for all financial transactions from the original documentation to accounting records.

Finance records must be stored for 10 years in accordance with the Companies Act.

Only authorised staff will be permitted access to the accounting records, which should be securely retained when not in use.

Authorisation and supervisory controls should be adequate to ensure transactions are properly recorded or that errors are identified.

All records should be protected against unauthorised modifications, destruction, disclosure or loss whether by accident or intention.

The HCSS finance system must be protected by robust back up procedures.

7.2 Transaction Processing

- All journal transfers and transactions in the Nominal Ledger will be processed by the Academies Finance / Admin Officers and or Chief Finance Officer
- Cash Book entries will be made by the Academies Finance / Admin Officers and or Chief Finance Officer
- Fixed Asset transactions will be made by the Academies Finance / Admin Officers and or Chief Finance Officer
- Requisitions can be made by budget holders.
- Orders on requisitions authorised in accordance with the scheme of delegation (Appendix 1) will be raised by the Academies Finance / Admin Officers
- Invoices will be processed ready for payment by the Academies Finance / Admin Officers
- Sales Ledger & Purchase Ledger transactions will be processed by the Academies Finance / Admin Officers
- BACS or Manual Payments should be raised by Academies Finance / Admin Officers and or Chief Finance Officer and countersigned in accordance with the Bank Mandate and as per Scheme of Delegation (Appendix 1)
- Chief Finance Officer will obtain and review system reports to ensure only regular transactions are posted to the accounting system.

- Chief Finance Officer will complete the monthly VAT return.
- Chief Finance Officer will ensure monthly reconciliations in respect of the sales ledger; purchase ledger, payroll, nominal ledgers and cash book

8. Payroll

The main elements of the payroll system are:

- Staff Appointments
- Payroll administration
- Payments and monitoring

8.1 Staff Appointments:

The Headteacher has the authority to appoint staff with the agreement from the CEO, within the authorised staffing structure. The Admin Officers will maintain personnel files for all members of staff, which include contracts of employment.

8.2 Payroll Administration

The Trust's payroll is outsourced to the City of Stoke on Trent Payroll Services

All Payroll transactions relating to Trust staff, permanent or casual, will be processed through the payroll system. Payments for employment will not be made to staff or visiting personnel through any other mechanism.

All new appointments, leavers, changes to contracts or personal details are to be notified to Stoke payroll by the appropriate academy on the appropriate form.

Forms should be completed by the Admin Officers and signed by the authorised person, usually the Headteacher. In the case of changes to the Headteachers' salary, forms should be signed by the Chair of the Local Governing Board as per the Scheme of Delegation (Appendix 1). Copies should be retained on the employee's personnel file and the original sent to payroll.

All personnel files shall be stored in a lockable cabinet. Only the Academy Headteacher, the Admin Officer and Chief Finance Officer will have access to staff files but individuals can request to see their own files in line with data protection policies.

The Admin Officers in the individual academies are responsible for keeping the staff personnel database up-to-date via SIMS Personnel recording system.

Absence records are maintained by the Admin Officers in individual academies. Both paid and unpaid leave is notified to payroll using the City of Stoke on Trent's absence recording system.

Staff claims for overtime must be checked by the Admin Officers in the individual academies. Claims for overtime / variance of grade of duties, casual claims and supply claims will be entered on to claim forms

who will forward copies of signed or emailed claims in time for the next payroll run (dates on City of Stoke on Trent web site)

Leaver and starter forms will be completed by Admin Officers in the individual academies promptly.

8.3 Payments and Monitoring

All salary payments are made by BACS.

City of Stoke on Trent submit payroll reports prior to salary payments being dispatched detailing costs and individuals' payment details. A BACS report is also submitted. The Admin Officers in the individual academies will undertake a sensibility check whenever possible to ensure the data does not contain major errors prior to salaries being paid.

The Admin Officers in the individual academies will undertake a reconciliation of all claims for additional hours / unpaid leave and investigate any differences between the previous months gross salary against the current months.

The payroll system automatically calculates the deductions due from salaries to comply with current legislation. City of Stoke on Trent payroll are authorised to make BACS payments from the Trust's Bank Account by direct payment for the amounts of the deductions to the following agencies: Local Government Pension Scheme, Teachers Pensions, Prudential Teachers AVC's, Unison & GMB by the 7th of the month following the pay run and to HMRC by the 19th of the month following the pay run.

The responsible Senior Finance Officer will enter the payroll data into HCSS at the earliest opportunity.

Each year the Admin Officers in the individual academies will check each member of staff's gross pay against the payroll system to the contract of employment any variances to be reported to Chief Finance Officer.

9. Value for Money (VFM) and Competitive Tendering Procedures

Other than in emergencies and the following circumstances:

- a. for the supply of gas, electricity, water, sewerage and telephone services;
- b. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
- c. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
- d. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the contractor which was not known at the time of the original supply;
- e. for additional audit work of the external auditor;
- f. for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price: and

g. In circumstances where continuity of supplier is considered by the CEO to offer greater benefits to the Schools than retendering.

All orders for goods and services are subject to the following rules concerning quotes and tenders below:

9.1 Orders of £1,000 and below

Consideration to be given to at least 2 alternative suppliers wherever possible and evidence attached to requisition or research and if any quotes have been sought

9.2 Orders over £1,000 but less than £2,500

At least two written (or emailed) quotes should be obtained for all orders to identify the best source of the goods and services. These should be recorded on or attached to the requisition form.

9.3 Orders over £2,500 (£5,000 works) but less than £10,000

At least 3 written quotations should be obtained for all orders to identify the best sources of the goods/services. Written details of quotations should be attached to the requisition form for audit purposes.

9.4 Orders over £10,000 - £50,000

A minimum of three formal quotations to be obtained in writing by a specified date and time based on a written specification. Evidence to be attached to the requisition form.

9.5 Orders over £50,000

Goods or services ordered with a value over £50,000 or for a series of contracts in which the total exceeds £50,000 must be subject to formal tendering procedures as detailed below. All paperwork relating to the tender must be kept in the Accounting Officers academy (school) office.

10. Forms of Tender

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

10.1 Open Tender:

This is where potential suppliers are invited to tender. The budget holder must discuss and agree with the Chief Finance Officer how best to advertise for suppliers. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

10.2 Restricted Tenders:

This is where suppliers are specifically invited to tender and 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 is such that only specific suppliers can be expected to supply the trust requirements,
- The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

10.3 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 existing supplier are justified

10.4 Preparing for Tender

Full consideration should be given to:

- Objectives of project
- Overall requirements Technical skills required
- After sales service requirements Form of contract

It will be necessary to rank all the requirements and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

10.5 Invitation to Tender

An invitation to tender should include the following:

- Introduction/background
- Scope and objectives of the project
- Technical requirements
- Implementation of the project
- Terms and conditions of tender
- Form of response

10.6 Aspects to consider

Financial

- Comparison of like with like cost and if a lower price means a reduced service or lower quality this should be borne in mind when reaching a decision
- Hidden costs – care should be taken to ensure tender price is the total price. Is there scope for negotiation?

Technical

- Qualifications of contractor Experience
- Descriptions of technical and service facilities Compliance to CDM Certificates

- Quality control procedures
- Details of previous sales and references

Other considerations

- Pre sales demonstrations
- After sales service
- Financial status of supplier

10.7 Tender Acceptance Procedures

The tender invitation will state the time and date by which the completed tender document should be received by the trust. Tender submissions should be received in plain envelopes clearly stating they contain tender documents they must be date stamped and marked with the time of receipt. Stored, unopened, in a secure place prior to tender opening. **NB** Tenders received after the deadline should not normally be accepted

10.8 Tender Opening Procedures

All tenders should be opened at the same time and tender details should be recorded and signed. Two persons should be present at the opening of the tenders this would normally be Chief Finance Officer and the Head Teacher, in some circumstances this could be delegated to an agent who has been employed by the Trust to undertake the tendering process e.g. a firm of architects:

10.9 Tender Evaluation Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, which may influence their objectivity. If there is a potential conflict of interest, then that person must withdraw from the tendering process.

Those involved must not in any circumstances agree to accept gifts or hospitality from potential suppliers that could be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation and for contracts over £10,000; a report should be prepared to the Relevant Finance Committee.

The accepted tender should be one that is economically most advantageous unless it can be demonstrated that this is not the best option for the Trust and other factors outweigh any monetary savings.

11. Purchasing

The Trust will aim to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable.

The Headteachers and the Chief Finance Officer are responsible for ensuring procedures are in place for testing the market, placing of orders and paying for goods and services by following the general principles of:

- **Probity** – an approach to all interested parties in the disclosure of information that lends itself to necessary scrutiny.
- **Accountability** – the process whereby individuals are responsible for their actions and decisions. **Fairness** – that all those dealt with by the Trust are dealt with on a fair and equitable basis.

11.1 Routine Purchasing:

The Headteachers act as the budget holder for all cost centres and monitor actual expenditure against budget via the budget monitoring reports. Detailed expenditure reports will be available on request. Any order which has the potential to cause an overspend will be scrutinised by the Finance / Admin Officer in the academies and the Headteacher.

11.2 Orders for Goods and services

The Admin / Finance Officers, or authorised budget holders should raise an order for goods or services on the HCSS financial system, if they have the authority, or by using a requisition form.

Where the value of an order is over £1000, the requisition must be accompanied evidence of appropriate number of quotes /or proof that VFM exercise has taken place – as per section 10. Orders will be authorised only if the VFM documentation is present and correct. Advice about suppliers or obtaining best value is available from the finance office.

Official orders will be raised through HCSS and preferably emailed, but can be faxed or posted to the supplier. Ordering by the Finance / Admin Officers in the academies through telephone/direct verbal ordering will be permitted only in situations where raising an official order is not practicable. In such cases, a written confirmation order will be raised as soon as possible, normally within 24 hours.

Within HCSS system the flow is shown below

Orders are posted (uploaded) to HCSS by the Finance / Admin Officer. An approved Requisition Form is required as the basis for the order.

Authorisation as follows:

- £0.00 to £3,000 to Finance / Admin Officer
- £3,000.01 to £10,000.00 to Senior Finance Officer / Business Manager
- £10,000.01 to £20,000.00 to Chief Finance Officer
- £20,000.01 to £30,000 to Headteachers
- £30,000.01 to £50,000 to Headteachers following Local Governing Body approval and report to Trustees.
- £50,000.01 to infinity to ULT Finance and Audit Committee and report to Trustees

Department heads and persons responsible for raising orders will check deliveries to record the receipt of goods. The Goods Receipt Note will be sent to the Finance office. Finance staff will upload Good Received Notes to HCSS.

The invoice is posted to HCSS and matched to the approved and receipted order. The invoice can then go forward for payment.

11.3 Delivery of Goods and Services

- On receipt of goods, the parcels will be logged and secured. The Site staff will despatch goods to the budget holder or person responsible for the goods.
- The recipient will check the delivery note against the original order to ensure the correct goods have been dispatched.
- The recipient must ensure that the goods received are of acceptable quality any goods that rejected must be notified to the Finance / Admin Officer within 2 days of delivery. They will sign the good received note to acknowledge receipt.
- The Finance / Admin Officer will raise any discrepancies with the supplier for investigation.
- The Good Receipt Note will be returned to Finance Department to be uploaded onto the HCSS finance system when this has been checked, to record the receipt of goods against the order confirming it is all or part complete.

12. Payment of Accounts

12.1 Processing of Invoices

Payment for supplies and services will be paid upon receipt of an Invoice when

- It is confirmed that goods or services have been received and are of the quality expected as per section 11
- The invoice is arithmetically correct
- Prices are correct
- VAT has been treated correctly

No photocopied or faxed invoices will be paid but invoices sent electronically by email are acceptable.

At least two people must be involved in the process of agreeing invoices and authorising payment. The Finance / Admin Officer will do the above checks and enter the invoices on to HCSS as soon as possible. The School Budget Holder will authorise the payment of the invoice either manually or within HCSS to make it available for payment within the Accounting System. All invoices are to be processed through HCSS, payments generated via BACS and authorised in accordance with the Bank Mandate. Only in exceptional circumstances should payment be made by cheque or business charge card.

Order Related Invoices: The invoice is posted to HCSS and matched to the approved and receipted order. The invoice can go forward for payment.

Non-order invoices are posted directly to HCSS.

When generating payment in HCSS, a Payment Listing is produced and signed-off.

The BACS file is generated from HCSS as part of the payment process by the Chief Finance.

Within Lloyds Bank, the BACS file is imported and will require a two stage approval before it is released for payment.

BACS changes – to prevent fraud, changes to supplier BACS details will only be made when the supplier provides a written request received on a letterhead, followed up by a phone call to confirm the change to the company concerned.

Manual Cheques

These may be used in exceptional circumstances and made under the rules and regulations set out elsewhere in this manual.

12.2 Payments to individuals

Payments can be made to individuals on production of an invoice. An enquiry must be carried out on the individual using the HMRC, Employer Status Indicator Tool. <https://esi2calculator.hmrc.gov.uk/esi>. The generated reference number must be kept with the invoice. If the enquiry shows that the payment cannot be made to the individual via the invoice produced, the appropriate form should be completed and the individual paid through the trust's payroll provider.

13. Other Purchases

The Trust recognises that there are instances when it is not possible to process orders for goods and services in the normal way and items such as ingredients for cookery also purchasing goods and services over the internet which require payment at the time of ordering is becoming more common in practice. It is the function of the Business Charge Cards to support these transactions.

The petty cash process in HCSS could operate on an 'imprest' basis. Petty cash claims would be posted to HCSS to debit the relevant cost areas. The credit would then be posted to the Petty Cash Control Account. However, it is the ambition of the Trustees and Leadership to operate on a cashless basis, therefore the use of petty cash is not utilised.

Petty cash reimbursements would be posted to HCSS. A credit would be posted to the required bank account (where the cash is drawn from) and the debit side would be posted to the Petty Cash Control Account.

The balance on the Petty Cash Control Account should reflect the amount held in the 'Petty Cash Tin'.

13.1 Business Charge Card Purchases

It is expected that Internet Purchases will be made where it is more efficient and effective to do so.

When making a request for an Internet order - requisitions are required as per '*ordering goods and services*' procedures above.

Designated staff hold Business Charge Cards, these are used for orders placed over the Internet etc., and orders may be authorised by them.

The transaction is recorded in HCSS as soon as possible

- Individual uses the card obtains receipt / invoice.
- Receipt/invoice to Finance.
- Finance issue Business Charge Card detailing the purchase in standard format.
- Business Charge Card Statement from Lloyds Bank received. This is then reconciled by finance to the individual payments.

- The payments are then loaded onto the relevant areas of HCSS. The reason for doing this after receipt of the statement rather than at the point of receipt of the “evidence” is because there is variation with postage etc. It is more efficient to load actuals.
- Direct payment taken from the Academy Bank following this.

Failure to comply with these requirements will result in the removal of the Credit Card and Cardholders will be subject to disciplinary action.

13.2 Reimbursements to individuals

For reimbursement of cash transactions:

Requests for re-imburement to individuals are to be made on the Request for Reimbursement Form (Yellow) and **must** be supported with receipts for the goods/services received.

Reimbursement may be refused if the Head or the Chief Finance Officer considers inappropriate purchasing methods have been used, or the budget holder has already spent their full allocation and did not seek prior approval to exceed the funds available. The budget holder authorises the reimbursement. The reimbursement is made to the individual via BACs or by cheque. The reimbursement is then recorded in HCSS as soon as possible.

In HCSS these payments are recorded as invoices.

14. Income

The main source of income for the MAT and the Academies are the Grants from the EFA and the Local Authority. The receipt of these funds is monitored by the Chief Finance Officer who is responsible for ensuring all grants due to the Trust are collected.

14.1 Income collected by the Trust

The Trust collects income from parents or the public for:

- Trips and residential visits
- Exam re-sits and re-marks.
- School Lettings
- Reimbursements from various parties for activities in which the trust plays an active role.

The Finance / Admin Officer are responsible for the day to day administration of cash collection.

In HCSS, receipts can be posted as direct debit expenses, detailing “Income banking” The date and paying in slip number should be included.

With approval from the Chief Finance Officer in respect of cash collected for charity days the requirement to receipt all monies can be waived.

14.2 Trips / Activities

A lead teacher must be appointed for each trip. The Finance / Admin Officer are responsible for budgeting for the trip and collecting the sums due and liaising with the lead teacher over amounts outstanding. There must be evidence that there is no intention to make a profit from any trip or activity.

- The MAT utilise “Evolve” for the management of all trips.
- Certified “Learning Outside of the Classroom” are the preferred providers – in line with the MAT’s Educational Visit policy and best value practices.
- A Parent Pay service will be created by the Finance / Admin Officer for that particular trip.
- Payments are received via Parent Pay on line payment facility.
- Regular reports are provided to the lead teacher with regard to income received.
- Funds are paid into the MAT bank account on a weekly basis by Parent Pay. Those payments are then loaded onto HCSS for reconciliation.

14.3 Lettings

The policy for lettings of premises is contained in a separate document. **Charges & Remissions Policy** will be reviewed annually and approved by the Finance Committees of each LGB and endorsed by the ULT’s Finance and Audit Committee.

The Finance / Admin Officer are responsible for maintaining records of bookings facilities and for identifying the sums due from each organisation.

The Finance / Admin Officer will be responsible for chasing outstanding debts, no debts will be written off without the express approval of the Local Governing Board. (DfE prior approval is also required if the debt to be written off is above the value detailed in the Academies Financial Handbook).

14.4 Custody

All cash and cheques must be held in the school Office safe prior to banking. As a cashless school the occasions for cash to be on site are limited. Banking will take place as and when required and if the cash sum held exceeds £10,000. The MAT uses a security firm “Security Plus” to collect the funds and deposit in the appropriate bank. If monies need to be taken to the local Lloyds Bank, necessary provision is made.

In HCSS the routine for the bank reconciliation process is as follows –

- Statements can be downloaded from Lloyds.
- The user reconciles the values held in the Cash Book to the bank statement entries.
- Bank reconciliation summary reports are generated to support the bank reconciliation.
- Reports are made to the Chief Finance Officer

14.5 Debtors and liabilities

Debts under £50 may be written off by the Headteacher.

Debts over £50 may be written off only with the approval of the Local Governing Board or sub-committee.

The trust may perform the following financial transactions up to the limits set out below:

- ❖ writing off debts and losses, including any uncollected fines; and
 - ❖ entering into guarantees, indemnities or letters of comfort, excluding those relating to borrowing by the trust.
-
- 1% of **total annual income** or £45,000 (whichever is smaller) per single transaction;
 - cumulatively, 2.5% of **total annual income** in any one financial year per **category of transaction** for any academy trusts that have not submitted timely, unqualified financial returns for the previous two financial years. This category includes new academies that have not had the opportunity to produce two years of financial statements; and
 - cumulatively, 5% of **total annual income** in any one financial year per **category of transaction** for any academy trusts that have submitted timely, unqualified financial returns for the previous two financial years.
 - In relation to these limits:
 - the amounts for write offs are before any successful claims from an insurer;
 - **total annual income** is defined as grant income as disclosed in the trust's last set of audited accounts. The EFA should be contacted if the trust has not yet produced audited accounts;
 - the **categories of transactions** are defined as (a) write off of debts and losses, and (b) guarantees, indemnities and letters of comfort.

Beyond these limits the trust must seek and obtain explicit and prior approval of the Secretary of State, through the EFA, for the transaction.

Special payments - staff severance payments and compensation payments if and when made must comply with the limits set in the current Academies Financial Handbook

Academy trusts can self-approve individual special staff severance payments and compensation payments provided any non-statutory/non-contractual element is under £50,000. Where the trust is considering making a special staff severance payment or compensation payment exceeding the statutory/contractual entitlement by £50,000 or more, prior approval must be sought from HM Treasury (HMT), via the EFA, for the non-statutory/non-contractual element. Academy trusts in this situation should contact the EFA at the earliest opportunity to discuss.

The following debt recovery policy will be applied:

- If payment has not been received 30 days after invoice a reminder will be sent asking for payment within 7 days.
- If payment is not forthcoming, a further reminder will be sent, requesting immediate payment or contact to arrange repayment by instalment.
- If payment is still not forthcoming, for debts over £100, a threat will be issued to put the matter into the hands of a nominated Solicitor if payment is not received within the next 7 days.
- If not received after 7 days, the nominated Solicitor will be asked to pursue the debt and the debtor will be notified accordingly.
- Debts of £100 and less will be pursued without reference to the nominated Solicitor and will be reported on at Finance Committee meetings where governors will decide on action to be taken.
- The current aged debtors report together with details of any debts written off (under £50) and solicitor's letters sent will be provided for each Finance Committee meeting.

15. Cash Management

15.1 Trust Banking Arrangements

The MAT have appointed Lloyds as their bankers for all funds. The opening of all bank accounts must be authorised by the ULT Finance and Audit Committee. The Scheme of Delegation sets out the arrangements covering the operation of accounts, this include any transfers between accounts, cheque signing arrangements and the operation of systems such as BACS which must also be subject to the same level of control.

15.2 Deposits

Particulars of any bank deposit must be entered in a paying in slip and should include:
The amount of the deposit and any supporting information.

The Counterfoil should include:

The amount of the deposit and all details appertaining to the transaction.

15.3 Payments and withdrawals

All cheques and other instruments authorising withdrawal from any of the Trust's bank accounts must bear signatures / electronic signatures in line with the scheme of delegation.

15.4 Bank Reconciliations

The Senior Finance Officer must ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures will ensure:

- All Bank Accounts are reconciled to HCSS system
- Adjustments are dealt with promptly.

15.5 Cash Flow Forecasts

The Chief Finance Officer is responsible for preparing cash flow forecasts to ensure that the MAT has sufficient funds available to cover day-to-day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds.

15.6 Investments

Investments must be made only in accordance with written procedures approved by the Trust under a separate **Investment Policy**.

15.7 Reserves

The Budget is managed in line with the Trust's **Balances and Reserve Policy** which is reviewed annually.

16. VAT

The Chief Finance Officer is responsible for submitting the VAT126 each month.

17. Fixed Assets

The treatment of Fixed Assets is detailed in the Trust's **Fixed Assets Policy**.

Academy trusts must seek and obtain prior written approval from the Secretary of State, via the EFA, for the following transactions:

- acquiring a freehold on land or buildings;
- disposing of a freehold on land or buildings; and
- disposing of heritage assets beyond any limits set out in the trust's funding agreement in respect of the disposal of assets generally.

Academy trusts may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State.

Academy trusts must ensure that any disposal maintains the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value. Some property transactions may be novel or contentious and so require the consent of the Secretary of State on that basis.

17.1 Leases

In considering leases, academy trusts need to be aware that there are two types of lease, as defined under relevant financial reporting standards. There are finance leases (which are a form of borrowing) and there are operating leases (which do not involve borrowing). Trusts that are in any doubt as to whether or not any particular lease does or does not involve an element of borrowing should resolve the issue by contacting their professional financial adviser and/or external auditor.

Academy trusts must seek and obtain prior written approval from the Secretary of State, via the EFA, for the following leasing transactions:

- taking up a finance lease on any class of asset for any duration from another party, as this would represent borrowing;
- taking up a leasehold or tenancy agreement on land or buildings from another party for a lease term of more than five years; and
- granting a leasehold or tenancy agreement on land or buildings to another party for a lease term of more than five years.

Reference to the current Academies Financial Handbook will be key.

17.2 Reporting responsibilities for disposals, write offs, leases and assets

In all of the above transactions, irrespective of whether the Secretary of State's approval is required, trusts should:

- obtain relevant professional advice where appropriate, including that of their external auditor where necessary;
- ensure that the decision represents value for money, and is justified as such;
- agree internal delegation levels within the trust; and
- disclose aggregate figures for transactions in each of the categories in section 2.4 as a note to their annual accounts. In addition, separate disclosure is required in the annual accounts of each transaction at 17.2 above £5,000. Other than what is required under financial reporting standards, the Charities SORP and the Academies Accounts Direction, disclosure can be anonymised.

18. Key Inventory

The Key inventory is the responsibility of the Finance and Admin Officers to maintain and will be kept up to date at all times. It is the responsibility of staff to report all lost and stolen keys to enable new security ensures to be put in place and for the inventory to be updated.

19. Computer Systems

Systems should be in place to protect key computer data and control features will include:

- Back-up Procedures
- Passwords
- Disaster recovery plans

20. Reporting to the Education Funding Agency (EFA)

The Trust is required to submit reports to the EFA in the following areas

- Financial Management and Governance Self-Assessment (FMGS) below)
- Annual Budget
- Statutory Accounts
- March Accounts Return
- December Annual Accounts Return

20.1 Novel and contentious transactions

Novel payments or other transactions are those in which the academy trust has no experience, or are outside the range of normal business activity for the trust.

Contentious transactions are those which might give rise to criticism of the trust by the public or the media.

It is difficult to be specific about what might constitute novel or contentious payments; it is for trusts to use their judgement about when they should seek the prior advice of the EFA. Public money must always be spent prudently and in ways that command broad public support.

Novel and contentious transactions must always be referred to the EFA for explicit prior authorisation. If there is any doubt about the

20.2 Financial Management and Governance Self-Assessment (FMGS)

The FMGS Return needs to be completed within 4 months of the date on which the Academy is opened as a one off after which the normal financial statement applies.

20.3 The Annual Budget

The Annual Budget for the year must be submitted to the EFA by 31 July each year.

In the first year a balanced budget must be supplied to the EFA within 6 weeks of receiving the final funding letter.

This will be in the format of an income and expenditure statement on an accruals basis.

The Chief Finance Officer must ensure that a final budget is submitted setting out the MATs plans for the forthcoming academic year in more detail in the required format and by the required deadline as notified by the DfE year on year.

20.4 Budget Monitoring

The Trust will submit budget-monitoring returns to the DfE, on an accruals basis in the required format by the required deadlines as notified by the DfE year on year.

20.5 Annual Accounts

As a charitable company the Trust must comply with company law as set out in the Companies Act 2006. This includes a requirement to prepare a governors' report and consolidated financial statements ('consolidated accounts') and for these to be independently audited by a registered auditor. Financial Statements should be prepared to **31st August each year**. They should include:

- Incoming resources from all sources receivable in the period
- Resources expended on all activities within the period
- All assets and liabilities of the Trust at the balance sheet date
- All cash received and expended within the period
- Notes to the accounts

The Annual accounts must be submitted by **31st December**. As soon as the DFE deadline, but by no later than **30th June** (9 months after the end of the accounting year), a copy of the governors' annual report and audited final accounts must be sent to Companies House and to the Charity Commission.

21. Self-Assessment of Management and Governance

The MAT Board through the Chief Finance Officer will ensure that annually a self-assessment is undertaken in order to provide the EFA with an annual assurance on the adequacy of the Trusts arrangements for financial management and governance.

The self-assessment will provide assurance to the Trust's accounting officer that conditions of funding are being met, and that appropriate systems of control are in place.

22. External Auditors

The Trust Board appointed Mazars as their external auditors in April 2020. This appointment will be reviewed on a 3-yearly basis. The appointment of Auditors must be approved by the Full Trust Board.

A review of the accounting officer's statement must be included within the remit of academy trusts' external auditors. The auditor's conclusions on regularity will be addressed jointly to the trust and to the Secretary of State through the EFA. The EFA will draw formal assurance from this regularity audit. Further information is included in the Accounts Direction.

23. Accounts Return (Whole of Government Accounts)

The March Accounts Return, which should be submitted to the EFA by 28 June each year.

24. Gifts and Hospitality

The receipt of gifts or excessive hospitality can damage the Trust and or academy's reputation and possibly lead to prosecutions for corruption. The MAT has a **Gifts and Hospitality Policy** that seeks to protect directors, governors and staff from suspicion of dishonesty and ensure that they are free from any conflict of interest with respect to the acceptance or provision of gifts, hospitality, or any other inducement from or to suppliers of goods or services to the trust or one the academies.

A key element of the policy is that, in the interests of transparency, a Register of Gifts and Hospitality is to be established and kept in each admin office. Any director, governor or member of staff who accepts an offer of a gift or hospitality over the value of £25 must ensure this is recorded in this register.

25. Whistle Blowing Policy

Whistle blowing has been defined as: 'the disclosure by an employee or professional of confidential information which relates to some danger, fraud or other illegal or unethical conduct connected with the work place, be it of the employee or his/her fellow employees'.

Statutory protection for employees who whistle blow is provided by the Public Interest Disclosure Act 1998 ("PIDA"). The PIDA protects employees against victimisation if they make a protected disclosure within the meaning of the PIDA and speak out about concerns about conduct or practice within the school which is potentially illegal, corrupt, improper, unsafe or unethical or which amounts to malpractice.

The MAT has adopted a **Whistle Blowing Policy** that applies to all school staff including full and part time, casual, temporary, substitute staff and to individuals undertaking work experience in the academy. It also covers directors, governors and committee members.

Appendix 1

UTTOXETER LEARNING TRUST

SCHEME OF DELEGATION / MANAGING MONEY**1. Authorising orders for goods and services, authorising payments, and entering into contracts within approved budget**

Position	Limit/Restriction
MAT Board via ULT Finance and Audit Committee with advice from Headteachers	Over £50,001 – decision recorded in minutes
LGB / LGB Finance Committee with advice from Headteachers.	£30,000 to £50,000 - decision recorded in minutes
Headteachers	Up to £30,000 - reported to LGB
Chief Finance Officer	Up to £20,000
Senior Finance Officer / Business Manager	Up to £10,000
Finance / Admin Officers	Up to £3,000

This limit shall not apply where payments are greater than £20,000 but are for tendered or contracted regular services e.g. energy supplies and payroll BACS authorisation. These levels will be specifically identified at the start of each financial year.

2. Managing the Bank Accounts

Position	Authority
Uttoxeter Learning Trust Bank Account	
Named Signatories	Cheque Signatories - Two signatures as follows: - Headteacher (A) + Chief Finance Officer (A) Business Manager (B) Deputy Head teachers (B) Assistant Head teacher (B) (A) + (A) or (A) + (B)

3. Users of computerised finance package HCSS

Position	Limit/Restriction
Chief Finance Officer / Senior Finance Officer	System Administrator
Business Managers and Finance / Admin Officers	System user – access all ledgers
Head Teachers	System user – access all ledgers

4. Certification of payroll documents

Position	Limit/Restriction
Chair of Local Governing Board	Sign payroll forms relating to Headteacher
Headteachers / Chief Finance Officer	Sign all Appointment & Leaver authorisation Forms and change of contract forms:
Business Managers and Finance / Admin Officers	Authorise on line appointment, termination and variation forms in accordance with manual authorisation forms. Sign off monthly claim forms.
Business Managers and Finance / Admin Officers	Process monthly claim forms and email to Stoke Payroll services.
Chief Finance Officer	Authorises ULT BACS Payroll Payments

5. Authorisation to write-off bad debts

Position	Limit/ Restriction
Headteachers	Up to £50
Local Governing Board or Finance Committee	Over £50 – recorded in minutes
Secretary of State	Detailed in funding letter

6. Completion of VAT returns

Position	Limit/ Restriction
Chief Finance Officer / Senior Finance Officer	N/A

7. Administration of Petty Cash

Position	Limit/ Restriction
Finance Assistant (TAHS only)	Up to £500

8. Authorisation of petty cash/expenses vouchers

Position	Limit/ Restriction
Chief Finance Officer / Business and Operations Manager	£60

9. Opening of Tenders

Position	Limit/ Restriction
CEO / CFO / Headteachers / Trustees	N/A

Appendix 2

Annual Budget Planning Cycle

October / January:	Headteachers / Chief Finance Officer ensures academies complete the census return which is used by Government as the basis for the funding for the next financial year.
February:	The Senior Leadership Team start work on next year's priorities and possible staffing needs. These priorities will be discussed with the various committees of the Local Governing Board and Trust
March:	Trust receives its Draft Grant Allocation for the following year from the Education Funding Agency (EFA). Headteachers and Chief Finance Officer start to construct next year's budget. A mid-year review of current budget takes place.
April / May:	The Chief Finance Officer completes draft accounts The Head Teachers and Chief Finance Officer discuss detail of next years' budget and present to Finance Committees and ULT Finance and Audit Committee.
June:	Full Trust approve final budget for the following year. The Chief Finance Officer then prepares return to DfE which is signed by CEO and returned to the EFA.
July:	Appointed Auditors start their preparative work on the Annual Accounts
Aug/Sept:	Financial Year end (31 st August) Start of new Financial Year (1 st Sept)
Oct:	Appointed Auditors continue audit field work.
Nov/Dec	Appointed Auditors present accounts to Full Governors. Governors approve Financial Statements.
Dec:	By 31 st Dec Financial Statements are submitted to EFA.
Monthly	Finance / Admin Officers produce end of month reports for heads to monitor progress with Chief Finance Officer within 2 weeks of month end.

