



Financial Regulations & Financial Scheme of Delegation

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Amendments within v26.1

Throughout the document, references to ESFA have been replaced with DfE.

Section No.	Section Title	Description
N/A	Financial Scheme of Delegation/Authorisation & Approval Summary Table Inventory Register	Changed legislation referenced within the Routes to Buy table from Public Contracts Regulations (PCR) to Procurement Act 2023. Updated Related Party Transactions information. Updated Inventory Register to items over £5,000
2.3	The Members	Updated wording to reflect that members must not be employees or occupy unpaid staff roles.
2.7	Audit & Risk Committee	Updated section to reflect the chair of trustees must not chair the audit & risk committee
2.8	Audit & Risk Committee	Updated section to reflect employees of the trust must not be members of the audit & risk committee, however, the Accounting Officer and Chief Financial Officers can attend to provide information.
2.21	Trading with Connected Parties	Updated section in line with Academy Trust Handbook wording about the 'at cost' rule.
2.23 – 2.24	Related Party Transactions	Updated section in line with Academy Trust Handbook wording about related party transactions.
3.2	Expenditure Limits	Added Trust Board expenditure limits over £100,000
3.18 – 3.20	Contract Approval	Updated section to include information on proposed finance leases. As per the Academy Trust Handbook
3.3 3.4	Funding	Updated check to census Updated section in line with Academy Trust Handbook wording about pupil numbers
3.7	Disposals	Updated section in line with the Academy Trust Handbook
4.9	Budget Monitoring	Updated wording to include monthly meetings with chair of trust reviewing management accounts
5.4	Internal Control	Updated wording to reflect procedure
5.7	Internal Control	Updated wording to reflect procedure
5.13	Accounting Arrangements	Updated wording to reflect procedure
6.2	Inventory	Updated wording to reflect procedures
7.7	BACS payments	Updated section in line with the Procurement Act to reference that undisputed invoices will be paid within 30 days of receipt and will require the same of suppliers.
8.4	Contract management, purchasing and payment procedures –	Added wording to reflect supplier set up details

8.6	Contract management, purchasing and payment procedures –	Added in that funds must not be used to purchase alcohol except for religious services.
8.13	Contract management, purchasing and payment procedures –	Updated section in line with the Procurement Act to reference that undisputed invoices will be paid within 30 days of receipt and will require the same of suppliers.
8.20	Routes to Buy –	Updated section to reflect Procurement Act 2023 legislation.
8.30	Internet Purchases	Added marketplace purchasing procedures
8.32	Charge Cards	Updated wording to reflect procedure
8.33 - 8.46	Tendering	Updated section to reflect Procurement Act 2023 legislation.
10	Payroll & Personnel	Updated section to reflect current procedure
11.13	Income	Updated section to include Club Spark – 3G booking system

CONTENTS

Section Number	Section Title
1	Introduction
2	Organisation
3	Day-to-day Delegation of Authority
4	Financial Planning and Review
5	Internal Control
6	Assets and Inventory
7	Banking Arrangements
8	Contract Management, Purchasing and Payment Procedures
9	Petty Cash
10	Payroll and Personnel Procedures
11	Income
12	Risk Management

Financial Scheme of Delegation/Authorisation & Approval Summary

Expenditure Limits/Ordering Procedures

If approval for a contract that spans more than one year, the limits below apply to the total value over the life of the contract not the per annum cost.

Route to Buy	Value
Route 1: Use a DfE framework agreement	All values
Route 2: Use catalogues to find <u>low</u> value goods and services	Under £10,000
Route 3: Get at least 3 quotes from suppliers for medium value goods or services	£10,000 to £100,000
Route 4: Advertise a contract and run a tendering process for high value goods and services which are below Procurement Act 2023 and associated Regulations.	£100,000 to £214,903
Route 5: Run a Procurement Act 2023 tendering process for goods and services above the Cabinet Office guidance for sub-central authorities.	Cabinet Office guidance for sub-central authorities * Goods: £214,904 Works: £5,372,609 Most services: £214,904 Some services for education are covered by the 'light touch regime'. This threshold is £663,540 (remains unchanged from 01/01/24). See Gov.uk website for more details.

Order Authorisation:

Value	Delegated Authority
up to £2,000	Budget Holder
£2,001 to £20,000	Headteacher
£20,000 to £100,000	CEO/COO
Over £100,000	Trust Board to sign off
Related party transactions Over £40,000	DfE approval, using DfE's related party on-line form, required prior to entering into a transaction. All related party transactions, regardless of value, must be reported to the DfE where the transaction is considered novel, contentious or repercussive.

Standing Order/Direct Debit/BACS Signatories

Value	Delegated Authority	Additional Guidance
Any two of:	CEO COO Deputy COO Finance Manager Governance Manager Chair of Trust Board	Ensure bank mandate is complied with.

Virement Approval

Value	Delegated Authority	Additional Guidance
All	COO	All virements must be recorded on a sequential numbered virement form and reported to the ARR for information

Disposal of Surplus Stock, Stores & Assets

Net Book Value	Delegated Authority	Additional Guidance
Up to £250	Headteacher/CEO/COO	
£251 to £1,000	CEO/COO	
£1,001 to £250,000	Trust Board	
Check Academy Trust Handbook for latest guidance	DFE Approval/Notification	Applies to land and buildings

Bad Debt write off

Value	Delegated Authority	Additional Guidance
Up to £100	Headteacher	
£101 to £250	COO	
£251 to £1,000	CEO	
£1,001 to £250,000	Board of Trustees	
Check for latest guidance	DFE Approval	Max of £250,000 1% of total income up to £45,000 per single transaction 2.5% of total annual income per category if accounts qualified or late 5% of total annual income per category if accounts not qualified or late

Approval of Returns & Reconciliations

Return	Delegated Authority	Additional Guidance
VAT 126 Return	FBP to prepare, Finance Manager to review	One VAT 126 return must be prepared centrally for the whole Trust monthly taking in to account any business transactions to be allowed for
Bank Reconciliation	FBP to prepare, Finance Manager to review	To be prepared at least monthly
Funding Reconciliation	Finance Manager to prepare, COO to review	To be prepared at least monthly
Budget Forecast Return	COO to prepare, Trust Board to approve	Due to timing of submission deadline, can be delegated to CEO / Accounting Officer
Risk Register	COO and Headteachers to prepare and review. Trust Board to monitor and review.	
Payroll Reconciliation	Finance Manager to prepare, COO to review	To be prepared at least monthly
Register of Business Interests	Trust Board	
Gifts and Hospitality Register	Trust Board	
Business Continuity Plan	Trust Board	Prepared by Deputy COO
Schools Resource Management Self-Assessment Checklist	Trust Board	

Other Monetary Limits

	Limit	Additional Guidance
Mileage Allowance	Current HM Revenue and Customs approved rate	Check on Gov website 45p per mile for 2026
Safe Cash/Cheque Limits	£10,000 Cash £250,000 cheques and other certificates, bonds, stamps as detailed in RPA rules. £5,000 monetary not in a locked safe e.g. in transit	Details as per Risk Protection Arrangement.
Inventory Register	Items that are portable and attractive or over £5,000	
Asset Register	Capitalisation limit £5,000	As per accounting policy wef 1/9/22

The Trust financial regulations should be read in conjunction with the Trust other financial management related policies and the DFE Academy Trust Handbook.

1.0 INTRODUCTION

- 1.1 The Southend East Community Academy Trust is the legal entity which is responsible for all the trusts academies. It is their duty to ensure that each academy operates efficiently, legally, judiciously and safely.
- 1.2 The purpose of these regulations is to ensure that the academy trust maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of The Trust's funding agreement with the Department for Education (DfE).
- 1.3 The academy trust must comply with the principles of financial control outlined in the Academy Trust Handbook published by the DfE. These regulations expand on that and provide detailed information on the trust's accounting procedures and systems and should be read by all staff and trustees involved with financial systems.
- 1.4 The general conditions that follow are subject to annual review and consideration by the Trust Board of Directors, whom must formally minute both the review and any subsequent amendments and approval each year.
- 1.5 The Trust Board of Directors confirms that failure to observe these conditions is considered a serious matter and might involve disciplinary procedures being taken against the individual concerned.

2.0 ORGANISATION

- 2.1 The academy trust has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for trustees, academy committee representatives and staff. The financial reporting structure is illustrated below:

The Members

- 2.2 The members have a similar role to shareholders of a company. Their role is to be kept informed about trust business and should be 'eyes on and hands off'.
- 2.3 Members must not be employees of the trust or carry out any unpaid staff roles. There should be significant separation between individuals that are members and those who are trustees.

The Full Trust Board

- 2.4 The Trust Board and management must maintain robust oversight of the academy trust's finances and maintaining the trust as a going concern. The main responsibilities of The Trust Board are prescribed in the Funding Agreement between the trust and the DfE and in the trust scheme of delegation. The responsibilities of The Trust Board are as outlined in the scheme of delegation, terms of reference and in the Academy Trust Handbook.
- 2.5 The Trust Board meets at least 3 times per year in accordance with the Academy Trust Handbook

The Audit, Risk and Resources Committee (ARR)

- 2.6 The ARR Committee is a committee of The Trust Board. The committee meets at least once per term, but more frequent meetings can be arranged if necessary. The main responsibilities of the ARR Committee are detailed in the written terms of reference which have been authorised by The Trust Board.

- 2.7** The chair of trustees must not chair the ARR
- 2.8** Employees of the trust must not be members of the ARR; the Accounting Officer, Chief Operating Officer and Deputy Chief Operating Officer attend to provide information.

Accounting Officer

- 2.9** The Academy Trust has designated the Chief Executive Officer as its Accounting Officer. Whilst the Accounting Officer has responsibility, under The Trust Board's guidance, for the Trust's overall management and staffing, their appointment as Accounting Officer confers specific responsibilities for financial matters. In particular, the Accounting Officer is personally responsible to Parliament and to the Accounting Officer of the DFE, 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.
- 2.10** The essence of the role is a personal responsibility for:
- regularity – dealing with all items of income and expenditure in accordance with legislation, the terms of the Trust's funding agreement and these regulations, and compliance with internal Trust procedures. This includes spending public money for the purposes intended by Parliament.
 - Propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This covers standards of conduct, behaviour and corporate governance.
 - value for money – this is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the Trust's charge, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is to achieve value for money not only for the whole Trust, but for taxpayers more generally.

The Accounting Officer also has responsibilities for keeping proper financial records and accounts, and for the management of opportunities and risks.

- 2.11** Whilst the Accounting Officer is accountable for the Academy Trust's financial affairs, the delivery of the Trust's detailed accounting processes will be delegated to the Chief Finance Officer. Within the Trust the role of Chief Finance Officer is included within the job description of the Chief Operating Officer (COO).
- 2.12** The Accounting Officer must advise The Trust Board in writing if, at any time, in their opinion, any action or policy under consideration by them is incompatible with the terms of the Handbook or Funding Agreement. Similarly, the Accounting Officer must advise The Trust Board in writing if The Trust Board appears to be failing to act where required to do so by the terms and conditions of the Handbook or Funding Agreement. Where The Trust Board is minded to proceed, despite the advice of the Accounting Officer, the Accounting Officer must consider the reasons The Trust Board gives for its decision. If, after considering the reasons given by The Trust Board, the Accounting Officer still considers that the action proposed by The Trust Board is in breach of the Handbook or Funding Agreement, the Accounting Officer must advise the DFE's Accounting Officer of the position in writing.

Chief Financial Officer Within the Trust, the role of Chief Finance Officer is included within the job description of the Chief Operating Officer (COO).

2.13 The Chief Financial Officer works in close collaboration with the Accounting Officer through whom they are responsible. The Chief Financial Officer also has direct access to the Trustees via the ARR committee. The COO is responsible for ensuring that the trust prepares management accounts including an income and expenditure account identifying variations to the budget, cash flow forecasts and balance sheet every month, setting out its financial position for submission to the Trust Board and meet with the Chair of the Trust Board monthly to review.

Audit, Risk and Resources Committee

2.14 The ARR will work in close collaboration with the COO and relevant Trust central managers. The ARR's responsibilities are as set out in the scheme of delegation and include the following:

- Whilst the COO and central finance team will draw the figures together, the ARR will ensure rigor and scrutiny of the proposed budget and satisfy itself before recommending for approval to the Trust Board.
- Receiving management reports, to facilitate the monitoring of the school's actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary.
- Making decisions on expenditure within the ARR delegated powers.
- Ensuring the local Register of Business Interests is kept up to date and published on the school website.
- Ensuring the gift and hospitality register is kept up to date.
- Annually reviewing all on-going contracts.
- Monitoring all spending and income received in the school.
- Ensuring that funding from the DFE, Local Authority and other sources is used only in accordance with any conditions attached.
- Receiving and commenting on the content of any audit report relating to the individual school and monitoring the implementation of the agreed action plan.
- Ensuring the school adheres to the policies and procedures as specified by The Trust Board.
- Reviewing and monitoring of budget projections / medium term financial plans to ensure the school's budget is realistic and any financial decisions are sustainable.
- Declaring any connected party transactions or business interests.
- Regularly updating and monitoring the local risk register and ensuring the implementation of any mitigating actions.
- Ensuring each school and trust has an up-to-date business continuity plan.

2.15 The ARR confirms that the day-to-day financial management of the school is delegated to the Headteacher, and the central budget to the CEO / COO subject to exceptions contained in these regulations. Throughout these conditions, delegation to the Headteacher shall imply further delegation to the Deputy Headteacher when the Headteacher is not on the school site. Where the Headteacher wishes to permanently delegate certain financial matters or activities, then the level of that delegation shall be notified in writing to the individual(s) concerned, reported to the ARR in writing and incorporated into these conditions.

School Office Team Leader / Central Finance Team (CFT)

- 2.16** For the purposes of this document the term School Office Team Leader (SOTL) refers to the person(s) responsible for the day-to-day management of each individual school's financial operations with support of the CFT. Each school should employ a suitably experienced SOTL to support the Headteacher to manage and protect resources appropriately or alternatively make use of the CFT support services provided by the Academy Trust.
- 2.17** The SOTL will work with the CFT, Headteacher and Senior Leadership Team to ensure the school's financial processes and finance policies are followed. They will be responsible for the effective use of resources within their organisation and will notify the Headteacher of any issues.

Governance Professional (Clerk to the Trust Board)

- 2.18** The Trust will appoint a suitably qualified clerk to The Trust Board who is someone other than a Trustee, Headteacher or CEO of the Trust.

General Requirement

- 2.19** All employees of the trust are expected to act professionally and with integrity and follow the internal control framework and financial policies of the school. All staff with financial management responsibilities should have access to the information and training required to perform their financial duties.

Register of Business Interests

- 2.20** 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 academy committee members and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the school may purchase goods or services. The register is open to public inspection.

The register should include all business interests such as directorships or shareholdings. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a Trustee, local academy committee member or a member of staff, by that person.

The existence of a register of business interests does not, of course, detract from the duties of Trustees or local academy committee members and staff to declare interests whenever they are relevant to matters being discussed by the Trust board or a committee. Where an interest has been declared, Trustees, local academy committee members and staff should withdraw from that part of any committee or other meeting.

All Trustees, local Academy committee members and school staff must be given the opportunity to verbally declare previously undeclared interests, and any previously declared interests that may be relevant to the agenda, at every committee and Trust board meeting.

In accordance with the Academy Trust Handbook, the business interests of the Trustees, members, local Academy committee members and the Accounting Officer will be published on the trust website.

Trading with Connected Parties

- 2.21** In accordance with the Academy Trust Handbook, the following will apply to goods or services

provided by individuals or organisations connected to the academy Trust:

The Academy Trust Handbook confirms the 'at cost' rule applies to members / trustees and parties connected to them for cumulative contracts over £2,500 in a financial year and sets out the statement of assurance and open book expectations.

Related Party Transactions

- 2.22** Trustees must ensure they avoid conflicts of interest, do not accept benefits from third parties and declare interests in proposed transactions and arrangements. No member, Trustee, local Academy committee member, employee or related individual or organisation may use their connections for personal gain, and no payments can be made to Trustees unless permitted by the articles or by authority from the Charity Commission.
- 2.23** Trustees must report all related party expenditure in advance via the DfE online form; obtain approval where transactions are novel, contentious or repercussive, or where the cumulative value exceeds £40,000 in a financial year.
- 2.24** Trustees must obtain DfE's approval for related party transactions that are;
- novel, contentious and or/repercussive
 - the contract exceeds £40,000
 - a contract of any value that would take the total value of contracts with the related party beyond £40,000 in the same financial year

3.0 DAY-TO-DAY DELEGATION OF AUTHORITY

Expenditure Limits

- 3.1** Individual Budget holders can authorise expenditure up to £2,000 on goods and services. Avoidance of obtaining higher authority by raising a sequence of smaller orders in place of one large order is not permitted.
- 3.2** The Headteacher can authorise expenditure up to £20,000 on goods and services. Avoidance of obtaining higher authority by raising a sequence of smaller orders in place of one large order is not permitted.

If the value to be authorised exceeds the Headteacher limit for goods and services, or the value set aside for utilities in the school budget, then a higher level of approval is required, as specified below.

Authorisation for expenditure that is greater than the value of £20,000 must be referred to the CEO/COO. This is included in the hierarchy of the financial accounting system.

The CEO / COO can authorise expenditure up to £100,000 for goods and services.

Authorisation for expenditure above £100,000 must be referred to the Trust Board.

Funding

- 3.3** The Accounting Officer will ensure that information submitted to the DfE that affects funding is accurate and complete.
- 3.4** The Trust Board will challenge pupil number projections and review these termly
- 3.5** The Finance Manager is responsible for reconciling the Trust's funding budget entered on the

Trust's financial accounting system with the monthly funding information provided by the DFE and other government agencies. This reconciliation should be completed monthly and reviewed by the Chief Operating Officer with the monthly management accounts.

Bad Debts

3.6 The write-off of debts owed to the school, can be approved as follows;

Up to £100 – Headteacher

£101 to £250 – COO

£251 to £1,000 – CEO

£1,001 to £250,000 – Trust Board

See section – DFE approval required

A sequence of smaller write offs, all within the above limits, to cover a larger write off is not permitted.

Write offs exceeding £1,000 must be reported to The Trust Board.

Disposal of Assets or Adjustments to School / Trust Inventory

3.7 The Headteacher can authorise the disposal / adjustment of recorded school inventory items up to the value of £250. Authority for disposals / adjustments between £251 - £1,000 must be approved by COO / CEO. Disposals/adjustments above £1,001 must be referred to The Trust Board.

- Any disposals 1% of total annual income or £45,000 (whichever is smaller) per single transaction.
- Cumulatively, 5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction must be reported to the DfE.

All disposals / adjustments must be formally recorded in the minutes of the meeting at which they were reported and discussed.

Mileage Allowances and Subsistence Claims

3.8 The schools will reimburse mileage expenses to individuals for business journeys at a rate in accordance with the limitations set out by HM Revenue & Customs. The claimant is entitled to be notified of this rate in advance of commencing their journey. The claimant must have suitable insurance in place to cover both the vehicle and passengers. Business use must be added to the individual's insurance to be adequately covered to carry out business journeys.

- All expense claims are to be authorised by the budget holder and Headteacher/CEO/COO for individual schools. For the central team, expenses are authorised by the line manager and CEO/COO.
- The CEO/COO must authorise all claims relating to the Headteacher or members of the Central Teams, the CEO for the COO and the Trust Board for the CEO.
- All expense claims are to be supported by VAT receipts (or other appropriate evidence of expenditure) which must be attached to the claim. Claims for subsistence can only be claimed

to the maximum stated below.

- Rates of subsistence will be paid at the rate and within the conditions that adhere to the Trust's policy on travel and subsistence allowances.

Breakfast	£5.00
Lunch	£7.50
Evening Meal	£15.00

- Claims for the purchase of alcohol will not be reimbursed.
- The Trust may not reclaim VAT without a proper VAT receipt.

Receiving of Goods / Acknowledgement of Service

- 3.9** The person accepting the goods will be responsible for signing and dating the delivery note to confirm the correct goods have been received. This will then be processed on the financial accounting system by the SOTL/CFT (for MAT)/Headteacher/Budget Holder who will record on the financial accounting system who has checked the goods by the way of entering a goods receive note (GRN).

Staff Appointments/Terminations

- 3.10** The Trust Board have approved a personnel establishment structure for the Trust. Changes can only be made to the establishment with explicit rationale for the change and the support of the COO / CEO with express approval of The Trust Board and will also ensure that adequate budgetary provision exists for any changes.

- 3.11** The approval required for the appointment of staff or changes to contract is as follows:

Headteacher Appointment	CEO
All other staff	Headteacher/CEO/COO subject to the agreed establishment and budget constraints, Scheme of Delegation and in accordance with the Trust's recruitment and appointment policy.
Chief Operating Officer (Chief Financial Officer)	The Trust Board
Chief Executive Officer	The Trust Board

- 3.12** All relevant forms (PAY2) and paperwork regarding the appointment of, or amendment to contracts of staff should be sourced through the Trust's Human Resources department. All personnel pre-employment checks must be completed, relevant clearances obtained and contracts produced for all staff before they start their employment.

- 3.13** The Trust Board has authority to approve individual staff severance payments and compensation payments as per the current Academy Trust Handbook, providing the non-statutory/ non-contractual element is under £50,000. Above £50,000 (gross before income tax or other deductions) prior approval **must** be sought for the non-contractual element from the DFE.

Payment of Additional Hours

3.14 With regard to staff overtime etc, the Headteacher is authorised to incur expenditure up to the level agreed within the annual budget. Beyond this limit, authorisation can only be made by the CEO/COO. No overtime should be undertaken without the prior approval and availability of budget in agreement with the budget holder and by the Headteacher or in the case of the Central Teams the CEO/COO.

It is the responsibility of the individual member of staff to agree with their line manager the hours worked in the particular payment period. The line manager will then sign the claim and forward it to the Headteacher or in the case of Central Teams the COO/CEO for authorisation. If a dispute arises over hours claimed, the Headteacher / COO / CEO will be informed immediately. The Payroll Manager will process the claims using the appropriate additional hours forms.

Monitoring Salary Payments

3.15 It is the responsibility of the COO to ensure that systems are in place to record all staff contract details and that they are regularly updated to take account of new appointments, amendments and terminations of employment. This will ensure that all information on the Trust's financial budgeting and financial system is correct and will avoid distortion of financial information.

Any payroll transactions relating to Headteachers will be authorised by the CEO/COO.

Supply Staff

3.16

- a) All supply staff will be appointed by the Headteacher or as otherwise directed by the Headteacher. At the same time the appropriate commitment for the estimated costs incurred will be entered on to the Trust's financial accounting system by way of a purchase order. It is the responsibility of the SOTL/CFT to ensure this is completed.
- b) It is the responsibility of the individual member of staff to agree with their line manager the hours worked in the particular payment period. The line manager will then sign the claim and forward it to the Headteacher or in the case of Central Teams the COO/CEO for authorisation. If a dispute arises over hours claimed, the Headteacher / COO / CEO will be informed immediately. The Payroll Manager will process the claims using the appropriate additional hours forms.

Contract Approval

3.17 Any contractual commitment with a term of longer than 12 months, including lease agreements will require the approval of The Trust Board.

3.18 The Board can only approve a finance lease agreement if it is included on the DfE approved list. Changes to leasing agreements for academy trusts - GOV.UK (www.gov.uk) Where a proposed finance lease is not on DfE's 'assets granted prior consent' list, the trust must seek specific Secretary of State consent before entering the agreement. Land and building leases may require separate consent.

3.19 Trusts must obtain DfE's prior approval before taking up a finance lease on any asset not on the DfE approved list for any duration from another party.

3.20 Trusts must obtain DfE's prior approval before taking up a leasehold or tenancy agreement.

Insurance

3.21 Insurance cover for Trust and its constituent schools will be arranged at Trust level.

Insurance will include:

- Public Liability
- Buildings and Contents
- Terrorism
- Business Interruption
- Employer Liability
- Hirers Liability
- Governors Liability
- Academy Journey
- Personal Accident
- Motor
- Engineering
- Cyber Security

If maternity or sick pay insurance is required, this will be arranged by the COO and in agreement with the Trust. Business continuity plans should be established in each school by the Headteacher and Deputy COO for the Trust and reviewed at least annually.

4.0 FINANCIAL PLANNING AND REVIEW

Budget Planning / Setting

- 4.1** The school's overall budget plans (both one year annual and multiyear forward financial plans) will be prepared by the Headteacher, SOTL, Central Finance Team, COO and CEO in consultation with the ARR Committee and full Trust board. The budget will be prepared having regard to all known needs of the school including the School Improvement Plan. It is the responsibility of the COO to ensure that all the required budgeting paperwork is submitted to The Trust Board in accordance with the published timeline.
- 4.2** An asset management plan and budget will be prepared by the Estates Manager / Deputy COO and submitted for approval to the Trust Board.
- 4.3** Detailed records will be kept of all information used in preparing the budget, including estimations of staffing requirements and calculations of all costs, cross referenced to the assumptions made. Currently the Trust uses IMP Planner software.
- 4.4** The SOTL / Finance Manager will be responsible for ensuring that the school and trust has budget business plans in place for all trading activities e.g. catering, extended school, nursery, 3G Pitch lettings, SESSP, ARB etc. The business plan should clearly show the anticipated operating surplus or deficit. If a subsidy is required to cover a budgeted deficit, then this must be formally approved by the CEO. All budgeted business plans should be clearly linked to the Trust / School Improvement Plan.
- 4.5** The individual school budgets and central budget will be reviewed by the COO / CEO and submitted to The Trust Board for final approval.

4.6 The approved budget should be promptly loaded onto the Trust's financial accounting system.

Budget Monitoring

4.7 The Finance Manager / COO will be responsible for monitoring actual income and expenditure against budget for each line item and producing and circulating appropriate reports to the Trust monthly. Urgent budget issues will be reported to the COO / CEO and Trust immediately.

4.8 The COO will circulate monthly management accounts prepared by the Finance Manager, including income and expenditure reports on an accrual's basis, cash flow forecasts and balance sheets to the Trust Board, together with a written explanation of significant variances against budget, and with a projection of income and expenditure to the year-end. Reports will be circulated to ARR / Trust board as required.

4.9 The COO will meet with the chair of the trust board on a monthly basis to review the management accounts.

Resource Management

4.10 The Trust will ensure that it manages its resources effectively. To support with fulfilling this responsibility they will ensure that the following is carried out.

- Regular benchmarking with other Trusts in a similar context
- Annually completing the School's Resource Management Self-Assessment Tool and preparing an action plan. The completed tool must be submitted to the DfE by their required deadline.
- Engaging with the DfE's approved frameworks when procuring goods and services.
- Ensuring each school's curriculum is integrated with the Trust's financial planning strategy.
- Ensuring each school's staffing structure is reviewed regularly and is integrated with the Trust's financial planning strategy.
- Ensure the trust has an estate vision, strategy, and asset management plan with appropriate provision in its budget to support this.

Financial Returns

4.11 The COO will be responsible for preparing all the financial returns required by the DfE. All returns will be completed in the required timescales.

4.12 To give a true and fair view the annual report and financial statements must be prepared according to the requirements of the Companies Act 2006 and Regulations made under the Act, and applicable United Kingdom accounting standards. The Trust must also prepare their accounts in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised) ('the SORP'). They must also be prepared in accordance with the accounting policies agreed by The Trust Board. A copy of the SORP together with accompanying information sheets, other Charity Commission guidance and legislation are available to view and download from the Charity Commission website at:

http://www.charitycommission.gov.uk/Charity_requirements_guidance/Accounting_and_reporting/Preparing_charity_accounts/

- 4.13** The Trust Board is responsible for approving the school's annual accounts and annual report and ensuring the annual accounts are audited and submitted to the DfE by the required deadlines. Details of all financial information required are as set out in the latest Accounts Direction for the year being reported.
- 4.14** In addition to submitting the annual accounts to the DfE, under section 442 (2a) of the Companies Act 2006, accounts must be filed with Companies House within 9 months of the end of the accounting period.
- 4.15** The DfE require the Trust to publish its Annual Accounts and Annual Report by 31st January. This will be done via the Trust website.
- 4.16** The Trust's audited accounts must be provided to the Members at the Annual General Meeting.

5.0 INTERNAL CONTROL

The objectives of Internal Control are to give the Trust confidence that as far as is reasonably possible

- a) the Trust's accounting records are accurate and complete.
 - b) the financial procedures in operation minimise the risks of misappropriation of funds and assets.
 - c) the Trust achieves best value.
- 5.1** The Central Team - Finance Business Partner is responsible for preparing monthly bank statement reconciliations for all bank accounts within two weeks of receipt. All discrepancies are to be investigated immediately and reported to the COO and, if appropriate, the bank. The Finance Manager is responsible for reviewing and approving all bank reconciliations.
 - 5.2** The Finance Manager is responsible for ensuring that VAT transactions are recorded accurately, and the VAT control accounts reconciled to support in the preparation of a central Trust VAT return.
 - 5.3** The Trust board are responsible for ensuring that internal control audits take place to provide assurance that the internal controls are robust. The Trust Board will commission an external provider to carry out an annual audit of the controls. The Trust Board will ensure that an action plan is drawn up to address any weaknesses identified and will review this on a regular basis. All internal audit reports will be reviewed by The Trust Board.
 - 5.4** The ARR committee will approve the scope of the internal work to be conducted per financial year. This will include financial and non-financial controls and a regular external review of governance.
 - 5.5** The Trust board must submit to the DfE an annual summary of the internal scrutiny work that has been completed which includes areas reviewed, key findings, recommendations and conclusions by 31st December
 - 5.6** It is a legal requirement for the Trust to prepare audited, consolidated accounts. The Trust Members will appoint the statutory auditors to audit the accounts and confirm that they are "true and fair". The CEO and COO will be required to ensure that up to date and accurate

accounts are available and that year end processes are followed. The CEO / COO and Finance Manager will need to be available to support the statutory auditors in conducting their work.

- 5.7** The trustees will prepare an annual report that evaluates the performance of the external auditors, in accordance with the Academy Trust Handbook and makes a recommendation for the reappointment, retendering or dismissal of the auditors. Members are responsible for the appointment or removal of external auditors. The re-tender of external auditing services will take place at least every 5 years.

Separation of duties

- 5.8** It is the responsibility of the CEO / COO and Headteachers to ensure that key financial duties are properly separated between individuals. Functions to be separated between staff will include:
- a) Execution – the placing of an order and receipt of goods and services, and the charging and receipt of a fee.
 - b) Authorisation – the authorisation of a transaction such as a purchase order and the payment / GRN.
 - c) Payment – the raising of BACS and BACS signatories.
 - d) Custody – the holding of goods and services.
 - e) Recording – the completion of the accounting records.
 - f) Post transaction management checking – reviewing previous transactions to identify errors or intentional manipulation.

Accounting Arrangements

- 5.9** The financial transactions of the school must be recorded in accordance with the Trust's approved accounting policies and recorded on the accounting system. All transactions input into the accounting system must be authorised in accordance with the procedures specified in this manual.
- 5.10** Entry to the accounting system is password restricted. There must be two factor authentication set on the accounting system.
- 5.11** Access to the component parts of the accounting system can be restricted and the COO is responsible for determining access levels for all members of staff using the system.
- 5.12** The Trust will have a standard chart of accounts (DfE chart of accounts) which will be used by the individual academies and central budget. Requests to set up new nominal codes need to be made to the COO. The HT/SOTL/CFT can request additional cost centres to suit their own individual internal budget monitoring requirements from the COO. The Finance Manager / Finance Business Partner will carry out the amendments to the financial accounting systems as the system administrators.
- 5.13** IRIS Financials / Finance Manager are responsible for ensuring there is effective back up procedures for the accounting system.
- 5.14** The Finance Manager is responsible for ensuring the following reconciliations are carried out monthly and account balances reviewed.
- Debtor control accounts
 - Creditor control accounts
 - VAT control accounts
 - Payroll control accounts

- Bank Reconciliations
- Sundry creditors/accruals
- Sundry debtors/prepayment
- Intra-company accounts
- Fixed asset accounts
- Any other balance sheet accounts as appropriate

Any unusual or long-standing reconciling items should be brought to the attention of the COO.

6.0 ASSETS AND INVENTORY

6.1 The Finance Manager should ensure that all items which have a useful life and value lasting more than one year and which is above the de minimis level set in the Trusts accounting policies (currently £5,000) are recorded on a fixed asset register and capitalised in the accounting system. The asset register should include the following information.

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding
- expected useful economic life
- depreciation
- current book value
- location
- supplier
- warranty information

Condition of the items should be reviewed annually, and adjustments made to the register if required.

The Asset register should reconcile back to the accounts (balance sheet) and checked at least termly by the COO.

Inventory

6.2 Each school / central function in the Trust will keep an inventory to: -

- Ensure proper physical control of equipment.
- Provide a basis for insurance cover and claims if equipment is damaged or destroyed.
- Provide an up-to-date record of the equipment available for teaching purposes.
- Help the trust plan its equipment replacement programme.

All portable items of equipment are logged, if the school chooses to use an invisible form of marking, then the item of equipment must carry a visible reference to the fact that the equipment has been security marked.

The following categories of inventory will be entered in the inventory register at the time of acquisition by the school/ Trust: -

- All items valued at £5,000 or more at the time of acquisition or purchase.
- Items below the value noted in above but which are considered attractive and portable.
- All ICT equipment

- Items considered by the Headteacher/COO/Deputy COO as being worthy of inclusion.
- Items hired to or leased by the school, that match any of the above criteria will be included but identified accordingly.

The inventory register will record the following information.

- Item description.
- Serial number or asset reference number.
- Date acquired.
- Acquisition cost.
- Asset location.
- If item has been security marked. (Where appropriate)
- Date of last physical check.

The SOTL for primary schools / Heads of Faculty for Secondary school / Central teams including Estates, IT, Grounds and Catering / Deputy COO / Finance Manager are responsible for maintaining the inventory registers. Deputy COO / Finance Manager are responsible for collating and checking the inventory.

All inventory items recorded in the register will be checked annually by the relevant delegated person and certified as correct. Any adjustments arising from the physical check must be authorised as laid down. Evidence of the annual check taking place will be by date and signature of the person responsible for the check on the inventory sheets used for the check. These sheets will be retained on file for at least 24 months to provide an audit trail for changes made to the register as a result of the check.

All authorised disposal of school / trust inventory must be recorded, showing the method of disposal and the authority for such action (see Section 3.7).

A separate 'Off Site Register' shall be kept for all items loaned to members of staff and pupils. In the event of any items not being on site when the inventory is checked, reference shall be made to this on the documentation used for the inventory check. It is the responsibility of the SOTL for schools and Central Team managers to maintain the register.

7.0 BANKING ARRANGEMENTS

- 7.1** All decisions regarding the choice of banking service provider and subsequent banking arrangements will be made by The Trust Board.
- 7.2** The Finance Manager must ensure that the school accounts never become overdrawn. Any concerns regarding cash flow should be reported to the COO.
- 7.3** The Finance Manager is responsible for carrying out monthly bank statement reconciliations for all bank accounts within two weeks of receipt. Any un-reconciled payments older than six months, and unreconciled receipts older than one month, must be investigated and appropriate action taken. The Finance Manager is responsible for checking the online bank account data at least weekly to review transactions are as expected. Any transactions which cause concern are to be investigated fully and reported to the COO.
- 7.4** Trustees will wish to maximise income as far as possible and, where appropriate, a high interest or deposit account will be maintained, in addition to the normal current account. The

Trustees need to ensure compliance with the Trust's Investment Management Policy. Currently the trust investments are made on the Insignis Platform, any deposit requests initially require the approval of the Finance Manager or COO, they then require secondary approval by the Deputy COO or CEO before finalisation.

7.5 Direct Debit or Standing Order payment arrangements must be authorised by two of the following authorised signatories and retained on file for reference.

Any two of:

CEO

COO

Deputy COO

Finance Manager

Governance Manager

Chair of Trustees

A current bank mandate must be retained on file, and the mandated signatories should be consistent with those detailed above.

7.6 BACS procedures and control are as follows:

- On initial set up, the Finance Business Partner / Finance Officer will contact the supplier for written confirmation of their bank details, signed by 2 members of the company on their company headed paper.
- On receipt of their bank details (or subsequent changes thereto) the Finance Business Partner / Finance Officer will telephone the company to verify their bank details and will write/sign on the letter that this has been completed.
- The bank details are then input into the Financial Accounting System and are double checked and signed off by the Finance Manager. This signed evidence of independent checking is to be retained for audit purposes.
- On a monthly basis, an audit trail report will be generated to show any suppliers' bank details that have changed- all changes on this report are to be checked off against bank details provided by the supplier and authorised by the COO. This signed evidence is to be retained for audit purposes.
- All BACS payments generated on the accounting system, together with supporting invoices, will be securely electronically authorised by 2 approved signatories, in accordance with the bank mandate and the financial regulations, to confirm authorisation for payment.
- The BACS process procedures will be completed, ensuring the separation of duties are maintained. Payment advices are to be sent to each supplier by CFT.
- The trust will pay undisputed invoices within 30 days of receipt and will require suppliers to apply the same 30-day term throughout their supply chains.

8.0 CONTRACT MANAGEMENT, PURCHASING AND PAYMENT PROCEDURES

8.1 A contract register will be maintained that details the contracts, service level agreements and any indemnities that each school has in place. Trustees will have oversight of the register(s)

and be given the opportunity to challenge each school's plans for replacing goods and services that are due to expire shortly.

8.2 The trust is able to enter into indemnities which are within the normal course of business. Any indemnities which are not within the normal course of business will require DFE approval. The trust will risk assess any indemnity clauses within contracts prior to entering into the contracts and will record details of these in the contract register(s).

8.3 Budget holders will be responsible for requesting the purchase of items or services from their own budgets and in accordance with their delegated limits.

This will be carried out by the completion of a Requisition on the Trust finance Accounting Software currently IRIS Financials.

8.4 Prior to raising a requisition, staff must ensure that the intended supplier is approved and set up on the Trust's financial accounting system.

If a supplier has not previously been approved, the Central Finance Team will make every reasonable effort to onboard the supplier. However, due to the Trust's internal due diligence procedures (including verification checks and compliance requirements), this process may take several working days, dependent upon the timely receipt of required documentation from the supplier.

No commitments can be entered into with a supplier until the onboarding process has been fully completed and the supplier has been formally approved on the Trust's financial accounting system.

8.5 On receipt of an authorised requisition, a check will be carried out to determine that the appropriate budget has sufficient funds to meet the order. Where sufficient budgeted funds are identified, the Finance Officer will raise an official, sequentially numbered Purchase Order to send to the supplier/contractor. Reference will be made as appropriate to the procurement standards laid down by the Trust.

8.6 Funds must not be used to purchase alcohol except for religious services.

8.7 Purchase orders are to be authorised in accordance with the 'Authorisation Limits' set out in the front of these Regulations.

8.8 If an order is placed verbally due to urgency, it must be preauthorised by the COO, an order form should be used to ensure that a commitment is promptly raised on the financial accounting system. It is not acceptable to wait until the invoice/delivery note is received before entering a commitment onto the financial accounting system.

8.9 A GRN must be entered by the individual in receipt of goods or services to allow invoices to be paid.

8.10 All invoices received will be checked against the original order for accuracy (and delivery notes where appropriate) and entered promptly on the Trust's financial accounting system.

The cheque signatories are any two from the following: -

CEO

COO

Deputy COO

Finance Manager

Governance Manager

Chair of Trust

- 8.11** The Finance Manager is designated to control cheques / BACS and must ensure that:
- a) A current bank mandate is kept on file and that the mandated signatories are consistent with those noted in 7.5 above.
 - b) BACS run / remittance reports are kept on file and are authorised by a Finance Assistant / Finance Officer and then second authorised by a Finance Business Partner.
 - c) BACS / Faster Payments are entered correctly on the financial accounting system.
- 8.12** The Headteacher/ COO must ensure that all prime financial records are retained for six financial years plus the current year and are stored or scanned and saved in a secure and logical manner.
- 8.13** The trust will pay undisputed invoices within 30 days of receipt and will require suppliers to apply the same 30-day term throughout their supply chains.
- 8.14** If discounts are available for prompt payment, then payments can be made immediately, having considered any loss of interest that might arise.
- 8.15** BACS run details are held in the financial accounting system and remittance advices are emailed to suppliers once the BACS payments have been approved.
- 8.16** When Invoices are entered on to the financial accounting system, a QR sticker is produced and attached to the invoice then scanned, attached to the relevant transaction and stored electronically in the financial accounting system.
- 8.17** Copy invoices are not to be paid unless verified that payment has not previously been made. References back to the original order are to be made in every case. Once the checks have been made, the invoice should be signed to confirm this and endorsed "copy invoice, not previously passed for payment".
- 8.18** Under no circumstances are payments to be paid against statements.
- 8.19** Where appropriate, adequate checks are to be made that the contractors employed for buildings work have Public Liability Insurance Cover, minimum value £5,000,000. It is the responsibility of the Headteacher/Deputy COO/Estates Manager to ensure that this is complied with.
- 8.20** **Route 1:** For all procurement activities, the trust will first check the DfE's approved frameworks and see if an appropriate framework is already in place. If there is not an appropriate framework in place, the following processes will be followed.
- Route 2:** For any order or purchase which is estimated to be **low** value (less than £10,000), for the supply of goods, materials or services, the budget holder must ensure value for money is obtained.
- Route 3:** Orders and purchases which are estimated to be **low to medium** value (between £10,000 and £100,000), will be subject to the receipt of at least 3 competitive quotations and authorised by the CEO. Documentary evidence of the various quotations must be obtained and attached to the competitive quote form and purchase order and appropriately authorised.
- Route 4:** Orders and purchases which are estimated to be **high** value (above £100,000) and are below the Procurement Act 2023 thresholds should be advertised and a compliant tender process run.
- Route 5:** Orders and purchases which are estimated to be high value and are above the

Procurement Act 2023 and associated Regulations thresholds should be advertised and a compliant tender process run using the government's Find a Tender (FTS). Issue an assessment summary to each bidder before publishing the Contract Award Notice on Find a Tender. The Contract Award Notice then triggers a minimum 8 working day standstill before contract signature.

Note: Procurement thresholds stated are VAT-inclusive for sub-central authorities.

Some services for education are covered by the 'light touch regime' which has a different threshold and process. Review the government's guidance ahead of procurement to see if this approach applies.

In accordance with agreed procurement standards, approval of contracts over £100,000 will only be made after following the appropriate tendering procedure. The Board will oversee all tendering processes on behalf of the trust.

Internet Purchases

- 8.21** At all times, the same rigour of internal control must be placed on internet purchases as is normally applied to standard procurement with regard to separation of duties, authorisation controls and independent management checking.
- 8.22** The SOTL / CFT / Trust PA will be authorised to place pre-authorised online purchases. The internet order must be raised in the name of the school / Trust with the school's address, and not to an individual.
- 8.23** Requests should be made to the Finance Officer from the SOTL/budget holder in the normal manner (from section 8.5), an official order should be raised on the financial accounting system and authorised as specified (section 8.5). Where possible the official order number should be quoted on the internet order as a cross reference.
- 8.24** It is the responsibility of the Finance Officer/ Finance Assistant / SOTL to ensure the internet is the most appropriate means for procurement.
- 8.25** The preferred method of payment for internet purchases will be the request of an invoice from the supplier, which can be paid via the trust's normal payment route.
- 8.26** Payment via an issued charge card should be made in the event this option is not available and pre-approved in the usual manner.
- 8.27** Payment by an individual's personal credit card should only be considered when the above options have been exhaustively attempted and failed. The correct authorisation procedure for purchases should still be adhered to (section 8.5), and the school / Trust retains the right to refuse to reimburse the individual if the school's procedures are not followed.
- 8.28** Reimbursement to individuals should be made in the normal manner upon production of an original invoice/receipt and completed expenses form. A reimbursement will not be made without a valid receipt.
- 8.29** Supplier VAT invoices, delivery notes and all relevant documentation should be obtained for all internet purchases and retained within the normal filing system (section 8.5). This is especially important if the Trust is to recover any VAT element.
- 8.30** Purchases from third-party online marketplaces (including, but not limited to, Amazon, eBay, Etsy, Temu and similar platforms) are not permitted as standard practice. This restriction is due to:

- Inconsistencies in VAT invoices and supporting billing documentation.
- Variability in payment processing times and settlement arrangements.
- The potential inability to verify that purchases meet the Trust's value for money and best value requirements.
- Increased risk relating to supplier legitimacy and compliance.

In exceptional circumstances, a purchase from a third-party marketplace may be considered on a case-by-case basis where the budget holder can clearly demonstrate a minimum saving of £100 per item type when compared to compliant alternative suppliers.

Such requests must be supported by documented evidence and will be subject to prior written approval from both the Finance Manager (FM) and the Chief Operating Officer (COO). Approval must be obtained before any commitment is made.

- 8.31** All purchases should only be made from secure websites that the SOTL/CFT/Trust PA has gained reassurance are safe and free from fraudulent activity. Any purchasing requested for items from either Amazon, eBay or online auction websites / marketplaces require express prior approval from either the FM or COO.

Charge Cards

- 8.32** Charge cards are issued by the Trust for key staff members to purchase items for the school / Trust.

- Cards are issued in the individual's name and SECAT.
- The Finance Manager holds a list of approved card holders and purchase limits. The Central Finance Team / Trust PA and the School Office Team Leaders are authorised to use cards for pre-authorised online payments as detailed above.
- Cards are to be kept on the card holder's person when not in use.
- Cards must not be taken out of the country.
- Card purchases are subject to the school's purchase/expenditure limits/procedures as detailed above.
- Personal use is expressly prohibited and may result in disciplinary action.
- Card holders are personally responsible for any spend made on their card.
- Prime documents will be retained for 6 years + current.
- Monthly statements are checked and authorised by the COO/CEO and individual card holders. Any charge card expenditure in the name of the CEO must be signed by the Chair of the trust board.
- In the case of Headteacher/s all transactions must be preauthorised by the CEO or COO.
- Misuse of charge cards by individuals must be reported to the CEO or COO immediately.
- All Charge card use must be pre-authorised by the card holder's line manager and approved by the budget holder, counter signed by the individual who processed the transaction.
- All receipts must be attached to supporting electronic form's function, in the name of the school / Trust and a VAT receipt obtained where VAT has been applied.
- The Central Finance team will process authorised transactions on the accounting system.

TENDERING PROCEDURES

Introduction to Tendering

- 8.33** Approval of contracts over £100,000 will only be made following the trust's tendering procedure. The correct tendering process to follow depends on whether the purchase will fall below or above the Procurement Act 2023 and associated Regulations.
- 8.34** Legal advice should be sought when the procurement will be over or near to the Procurement Act 2023 thresholds.
- 8.35** For more specialist or complex works and purchases, the trust may choose to appoint a professional third party to carry out the tender process on their behalf i.e. consultant, architect etc.). If a third party is used, it is expected to apply these regulations with the same rigour and ensure that the principles of Cabinet Office Procurement Policy Notes and Procurement Act 2023 guidance are adhered to.

The Tender Process

- 8.36** The procedure for running a tender process is broadly in line when the value is below or just over the Procurement Act 2023 and associated Regulations. The following procedure should be followed for both types of tender, however where there are differences in the two processes, these have been highlighted.

8.37 Step 1: Research and assess the market (soft market testing)

Undertake some initial research into the market and consider the following points:

- Is there a DfE approved framework that could be used?
- How many possible suppliers are there?
- How can the trust advertise the tender process?
- Speak to potential suppliers (ensure that any information provided to them at this stage is given to everyone else who bids later and that your specification does not unnecessarily favour the suppliers you have spoken to)
- Ask other schools what they have done
- Consider asking suppliers to submit an expression of interest
- Consider publishing a Planned Procurement Notice (PPN) on Find a Tender (FTS)

8.38 Step 2: Decide whether to run an open or restricted process (Route 5 only)

A decision should be made about whether to run an open or restricted process:

- Open process – allow as many suppliers as possible to bid
- Restricted process (selection stage) – select which suppliers the trust will assess bids from (at least 5 must be selected)

The restricted process should be used if the trust believes a lot of suppliers will respond to the advert, suppliers require specific skills, qualifications or experience or if the bid would be particularly complicated or costly to write.

Use the government's Procurement Specific Questionnaire (PSQ) should be used. Potential suppliers should complete the questionnaire. The score from the questionnaire will determine who will be invited to tender for the contract.

8.39 Step 3: Prepare the Tender Documentation

The tender documentation that will be sent to suppliers should include:

- A covering letter
- A timeline
- How to ask questions
- How to submit a bid
- The tender specification
- A list of items that require pricing
- The award criteria
- The contract terms – including the level of service required and any contract management arrangements, such as regular meetings
- Any mandatory requirements for suppliers and, if needed, an invitation for suppliers to provide a demonstration
- The standard selection questionnaire (Route 5 only)
- The proposed contract drafted as far as possible
- A disclaimer that the trust has the right to abandon the process at any time without liability to the bidders

Timelines:

The following deadlines should be outlined within the tender documentation:

- The clarification period – when suppliers can ask you questions
- The deadline for suppliers to submit their bid
- The standstill period
- The date the contract will be awarded

There are specific timescales that need to be applied. For the latest guidance review the Procurement Act 2023 and associated Regulations and seek legal advice.

Award Criteria:

Award criteria are used to determine which bidder is best placed to deliver the contract.

The award criteria should be specific to the requirements of the tender specification and to aid assessment to determine which bid is the most economically advantageous (the one that combines price and quality).

Each criteria should be given a:

- Range of scores (e.g. 1-5 with 5 highest)
- Weighting (a figure you multiply the score by depending on how important the criteria is, e.g. if price is important then you might give it a higher weighting)

For example:

Supplier 1

Award Criteria	Score (1 low to 5 high)	Weighting (1 low to 5 high)	Overall Score
Price	4	5	20
Delivery time	5	2	10

Supplier 2

Award Criteria	Score (1 low to 5 high)	Weighting (1 low to 5 high)	Overall Score
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Price	2	5	10
Delivery time	1	2	2

8.40 Step 4: Advertise the Tender Opportunity

Route 4: Advertise somewhere suppliers will look, such as:

- The government's Find a Tender service
- Newspapers
- Education publications or websites
- Trade magazines

Follow Cabinet Office guidance for below-threshold procurements and notices on FTS.

Route 5: A contract notice must first be published on the government's Find a Tender Service and can then be advertised elsewhere in line with the Route 4 suggestions.

The advert should:

- Clearly explain what the trust wants
- Tell suppliers what information the trust needs
- Explain how to get the tender documentation
- The timeline for the process
- Explain the trust is using award criteria to give the contract to the 'most economically advantageous tender'
- If using the restricted tender process, explain that there are two stages (selection stage where the questionnaire is completed and then the award stage when bids are assessed). **(Route 5 only)**

8.41 Step 5: The Clarification Stage

The tender process includes a clarification stage which is a time when suppliers can ask questions.

No matter who asks the question, in most cases the trust will then send the question and answer to all the bidders in an anonymised fashion to protect the identity of the supplier who asked the question.

Copyrighted or sensitive information should not be revealed.

Suppliers should be asked if they are happy to have their question and answer published. If they decline, consideration should be given to their request and allow them the opportunity to withdraw their question if you do not agree with their request.

Suppliers should be asked to email their questions into the trust and a log of these and the answers provided should be maintained.

8.42 Step 6: Deciding the Winning Bid

The bids received should be assessed using the awards criteria previously agreed and advertised.

No bids should be opened before the deadline.

All bids must be treated fairly and equally.

Record how decisions were made so they can be defended if required.

Keep confidential, secure, auditable records.

Award the contract to the highest scoring bidder.

Who should assess the bid?

At least two people should assess each bid independently. The more people involved at this stage, the harder it can be to reach an agreed score. It may be appropriate to include a specialist in this process if expert knowledge is required to assess criteria.

A moderation process should then take place where they compare scores and discuss any differences to then reach an agreed score.

Records of all scores, comments and moderation decisions should be maintained.

8.43 Step 7: Communicating the Tender Outcome

Telling successful bidders

A letter should be sent to the successful bidder to advise them:

- That they have been successful
- The award criteria that was used
- Their scores
- Why their bid was the most economically advantageous
- When the standstill period ends

The letter is an invitation to finalise the contract. It should make it clear that there are no commitments and that no work should begin until both parties have signed the contract and that the contract will only be awarded if no challenge occurs during the standstill period.

If for any reason the successful bidder decides not to go ahead with the contract, it can be awarded to the second highest scoring bidder, or the process can be re-run.

Telling unsuccessful bidders

A letter should be sent to each unsuccessful bidder at the same time to advise them of:

- The name of the winning bidder
- The award criteria that was used
- The scores for the winning bid
- The reasons for the decision including characteristics and relative advantages of the successful tender
- Their scores and feedback

If an unsuccessful bidder asks for the actual cost of the winning bid, this should be provided to them, provided that it will not give away any commercially sensitive information. There is no obligation to provide a detailed breakdown.

If an unsuccessful bidder asks for feedback on their proposal, there is no obligation to provide a detailed breakdown and only comment on their unsuccessful bid, do not share details of anyone else's bid (other than the successful bid, if this has been requested). Feedback meetings are to be avoided.

8.44 Step 8: The Standstill Period

Contract Award Notice triggers a minimum 8 working day standstill before contract signature.

Following notification of the successful bidder, the 'standstill period' comes into effect which allows any legal challenges from other parties to be made.

If an unsuccessful bidder challenges the fairness of the contract award decision or process, legal advice should be sought.

8.45 Step 9: Awarding the Contract

If there have been no legal challenges, the contract with the successful bidder should be finalised and signed.

Terms and conditions should be signed. The last copy of the terms and conditions sent by either side is the one that is legally binding so the trust should be the last party to sign them.

A contract award notice must be placed on the government's Find a Tender Service within 30 days of awarding the contract. **(Route 5 only)**

If an advert was placed in the Find a Tender service, a notice should be placed there too.

There should be no changes made from what was included in the original invitation to tender.

8.46 Abandoning the Process

On rare occasions, the tender process may need to be stopped.

A notice must be placed on the government's Find a Tender Service. **(Route 5 only)**

If the process is stopped whilst suppliers are preparing or submitting their bids, they should be provided with an explanation including why this decision has been taken.

The later in the process a decision to abandon takes place, the greater the risk of receiving a legal challenge where bidders may seek reimbursement of their bid costs.

The process cannot be abandoned because the highest scoring bidder is not the supplier the trust wants.

9.0 PETTY CASH

9.1 Petty cash floats, expenditure and reimbursement are expressly not permitted. Expenses or charge cards are required to be used as alternatives.

10.0 PAYROLL AND PERSONNEL PROCEDURES

10.1 All staff appointments, amendments to an employee's terms of employment and terminations

of employment are to be made in accordance with the arrangements laid down in 3.10.

- 10.2** Neither Headteachers nor the Deputy Headteacher can authorise amendments concerning their own pay and contract conditions. Changes to the Headteacher pay and contract conditions must be authorised by the CEO or COO.
- 10.3** Neither the CEO or COO can authorise amendments concerning their own pay and contract conditions. Changes to the CEO and COO pay and contract conditions must be authorised by The Trust Board.
- 10.4** The Trust Board must ensure its decisions around executive pay follow a robust evidence-based process and are reflective of an individual's role and responsibilities. As per the Academy Trust Handbook, the arrangements for this are set out in the Executive Pay Policy.
- 10.5** The Payroll Manager has responsibility for checking and reconciling actual monthly payroll payments and deductions to those expected and committed using the trust budgeting system and the Trust payroll system monthly.
- 10.6** Below are the key tasks and dates as per the payroll process.
- 10.7** Each month the Finance Business Partner / Finance Manager will reconcile back to the bank statement all payments for salaries, BACS, and other salary related payments.
- 10.8** Each month the Payroll Manager will check a sample of the personnel records maintained by the school to the payments made by the Trust. It is the responsibility of the COO to ensure this is done.
- 10.9** Copies of all individual notifications to the Payroll Manager by the way of electronic PAY forms or notification from HR for processing will be recorded electronically in the payroll system.

<u>Task</u>	<u>Responsible Person/s</u>	<u>Due By</u>
Overtime cut off	SOTL/HT	4th
Cut off for absence and Overtime input	HR Team/ FBP	8th
inputting/checking	Payroll Manager	10th
SOTL check	SOTL	11th
Payroll run	Payroll Manager	13th
HT/CEO sign off	HT/CEO	15th
TPS		
Payment/Submission	Payroll Manager	15th (following month)
	Payroll	
BACS	Manager/Finance	16th-18th
HMRC Payment	Payroll Manager	19th (following month)
LGPS Payment/PN11	Payroll Manager	19th (following month)
Pay Day	Payroll Manager	21st
Reconciliation	Payroll Manager	26th
iTrent/IMP		
reconciliation	Payroll Manager	28th
LGPS Submission	Payroll Manager	29th (following month)
3rd party payments	Payroll Manager	30th

- 10.10** Viv Up Employment benefit scheme is operated by the Trust, this is monitored and maintained by the payroll manager and COO. Full details of the scheme's operational procedures can be found on the intranet.
- 10.11** Payments made each month to Staff and payments made to outside staff agencies are to be debited against the relevant budgets and credited to the MAT payroll control accounts. After the appropriate BACs transfers and the corresponding entries in the payroll control accounts and the school bank accounts have been made, any balance remaining in the payroll control accounts must be reconciled, and appropriate explanations documented. It is the responsibility of the Finance Manager to ensure that this is done.

11.0 INCOME

General

- 11.1** It is the responsibility of the SOTL/CFT Finance Link Person to ensure that all income due to the school has been received, and that all income due to the school is collected. It will be reconciled to the financial accounting system by the CFT. Any outstanding income not received over a period of time will be dealt with under the Debt Management Policy.
- 11.2** Bromcom is used for all Trust parental and other income, the system issues receipts and gives a clear report of all income received and credited directly in the Trust bank account. The system is administered by the SOTLs and SOAWAs being the local administrators. The online payment system is used for all Trust parental and other income including Trips, Dinner Money, ticket sales etc. Where collections are required for example Charity Events, schools are encouraged to set up a Just Giving page for the charity where parents / staff can directly contribute and declare gift aid where appropriate. In extreme cases where there is no alternative, please refer to 11.5 & 11.6 below for banking requirements.
- 11.3** Online letting bookings of the 3G pitch are made using an online payment system, monies are credited directly into the trust bank account and reconciled by the Finance Business Partner and lettings supervisor.
- 11.4** Where sales invoices are issued from the accounting system, payments should be made directly in the Trust bank account which will be assigned to the sales invoice and reconciled.

Custody

- 11.5** When cheques are received and where no other formal documentation exists, receipts should be issued from the financial accounting system. All cheques must be kept in the safe prior to banking.
- 11.6** Monies collected must be banked in their entirety (intact) in the appropriate bank account. The bank paying in slips will be completed in full, each cheque will be listed separately on the bank paying in slip. The central Finance Officers are responsible for preparing reconciliations between the sums collected the sums deposited at the bank and the sums posted to the accounting system and related system generated reports. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Finance Manager.

Automated On- Line Payments

11.7 When setting up a contract with a new supplier for provision of an online payment system, consideration should be given to the following areas:

- i) Basis of fees payable to the company.
- ii) Complete audit trail and facility of income reconciliation of totals received.
- iii)) Reminder facilities to chase up overdue amounts.

Any contract for the services of an online parental payment system Service Provider will be reviewed regularly to ensure that the school is getting value for money and that the provider is giving an adequate service. A copy of the contract should be held in the school.

12.0 RISK MANAGEMENT

12.1 The Trust Board has overall responsibility for risk management and must not delegate overall responsibility to a committee. The Trust must maintain a risk register. The Headteachers / COO / CEO will support the Trust's risk management strategy by ensuring that they prepare a risk register which is regularly maintained and submitted for monitoring to The Trust Board. It should identify significant risks and the member of staff responsible for managing it. A copy of the register should be presented to the ARR at every meeting. Termly, a copy should be forwarded to The Trust Board.

12.2 Where risks arise that threaten the reputation of the Trust or the financial viability of the school, they should be notified to The Trust Board immediately.