



# The Sutton Academy

## Financial Regulations Policy

|                                 |                         |
|---------------------------------|-------------------------|
| Status                          | <b>Non-Statutory</b>    |
| Responsible Trustees' Committee | <b>Finance &amp; HR</b> |
| Date last approved by TB        | <b>12/03/2024</b>       |
| Responsible Person              | <b>Mrs J Tallant</b>    |
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# FINANCIAL REGULATIONS

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## **1. INTRODUCTION**

- 1.1 The purpose of this manual is to ensure that the Academy maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE).
- 1.2 The Academy must comply with the principles of financial control outlined in the Academies guidance published by the DfE. This manual expands on that and provides detailed information on the Academy's accounting procedures and system manual should be read by all staff involved with financial systems.

## **2. ORGANISATION**

- 2.1 The Academy 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 and staff. The financial reporting structure is illustrated below:

### **The Trust Body**

- 2.2 The Trust Body has overall responsibility for the administration of the Academy's finances. The main responsibilities of the Trust body are prescribed in the Funding Agreement between the Academy and the ESFA and in the Academy's scheme of government. The main responsibilities include:

- ensuring that grant from the ESFA is used only for the purposes intended;
- ensuring that funds from sponsors are received according to the Academy's Funding Agreement, and are used only for the purposes intended;
- approval of Academy's three year forecast, the annual budget and the latest in-year forecast;
- appointment of the Principal and
- appointment of the Vice Principal's and Chief Financial Officer, in conjunction with the Principal;
- all powers and duties included in the Financial Scheme of Delegation.

### **The Finance & Human Resources Committee**

- 2.3 The Finance & Human Resources Committee is a committee of the Trust Board. The Finance & Human Resources Committee meets at least once a term but more frequent meetings can be arranged if necessary.

- 2.4 The main responsibilities of The Finance & Human Resources Committee are detailed in written terms of reference which have been authorised by the Trust Board. The main responsibilities include:

- Consider and recommend acceptance/non acceptance of the Academy's Three Year Forecast, the annual budget and the latest in-year forecast;
- receive and approve management accounts and to monitor actual expenditure and income against budget;
- review of financial policies;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the ESFA guidance issued to academies;

- approval of procedures for competitive tendering decisions on expenditure items up to £50,000;
- acceptance of tenders for goods, services or works up to the value of £50,000;
- authorising the award of contracts valued between £10,001 and £50,000;
- approval of arrangements to secure compliance with financial regulations;
- review internal audit reports on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Trust Board;
- internal audit function, to review the risks to internal financial control at the trust and must agree a programme of work that will address these risks, to inform the governance statement that accompanies the trust's annual accounts and, so far as possible, provide assurance to the external auditors.
- Ensure that best value is achieved.

## **The Principal**

2.5 Within the framework of the Academy development plan, as approved by the Trust Board, the Principal has overall executive responsibility for the Academy's activities including financial activities. Much of the financial responsibility has been delegated to the Chief Financial Officer but the Principal still retains responsibility for:

- approving new staff appointments within the authorised establishment, except for any senior staff posts which the Trust Board have agreed should be approved by them;
- authorising contracts between £1,000 and £10,000 in conjunction with the Chief Financial Officer
- signing cheques/BACS payments in conjunction with the Chief Financial Officer or other authorised signatory.
- Virements: The Principal has delegated authority up to £30,000 which is reportable to the Finance and HR Committee.

## **The Chief Financial Officer**

2.6 The Chief Financial Officer works in close collaboration with the Principal through whom he or she is responsible to the trustees. The Chief Financial Officer also has direct access to the trustees via the Finance & Human Resources Committee.

The main responsibilities of the Chief Financial Officer are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- the management of the Academy financial position at a strategic and operational level within the framework for financial control determined by the Trust Body;
- the maintenance of effective systems of internal control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Academy;
- the preparation of monthly management accounts;
- authorising orders below £1,000 in conjunction with budget holders;
- authorising orders below £5,000 in conjunction with budget holders;
- authorising order below £10,000 in conjunction with the Principal;
- signing cheques/BACS payments in conjunction with the Principal or other authorised signatory and
- ensuring forms and returns are sent to the ESFA in line with the timetable in the DFE/ESFA

guidance;

- Virements: The Chief Financial Officer has delegated authority up to £10,000 which is reportable to the Finance and HR Committee.

### **Other Staff**

- 2.7 Budget Holders have delegated powers to authorise the ordering of goods and Services up to a maximum of £1,000. Two quotations will need to be evidenced before an order is placed for goods ordered between £1,001 and £2,000. Orders above £2,000 must be supported by 3 quotations. If quotations cannot be obtained, an authorisation to waive purchasing procedures form must be completed and approved in line with limits set out in the Scheme of Delegation

Other members of staff, primarily the Senior Finance Assistant will have some financial responsibilities and these are detailed in the following sections of this manual. All staff are responsible for the security of Academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the Academy's financial procedures.

### **Register of Interests**

- 2.8 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 Trustees and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom the Academy may purchase goods or services. The register is published on the Academy's website.
- 2.9 The register should include all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Academy. 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 governor or a member of staff by that person.
- 2.10 The existence of a register of business interests does not, of course, detract from the duties of governors 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 and staff should not attend that part of any committee or other meeting.
- 2.11 Further information can be found within the Register of Interests Policy.

## **3. ACCOUNTING SYSTEM**

- 3.1 All the financial transactions of the Academy must be recorded on the academies accounting system i.e. Bluqube 4 (BQ4).

### **System Access**

- 3.2 Entry to the BQ4 system is password restricted and the Chief Financial Officer is responsible for implementing a system which ensures that passwords are changed every 90 days.

- 3.3 Access to the component parts of the BQ4 system can also be restricted and the Chief Financial Officer is responsible for setting access levels for all members of staff using the system. The system access and creating of menus is set up by the Senior Finance assistant and authorised by the Chief Financial Officer.

### **Back Up Procedures**

- 3.4 The data contained within the Bluqube financial system is held on a cloud-based system. The Cloud is hosted by Symmetry's partner, The Bunker, who supply a very secure cloud environment and are responsible for the access control and backup of data. All certificates confirm to standardised industry guidelines established by the Certificate Authority (CA).

### **Transaction Processing**

- 3.5 All transactions input to the accounting system must be authorised in accordance with the procedures specified.
- 3.6 Detailed information on the operation of the Finance system can be found in the user manuals held in the Finance Office. Information can also be retrieved from the help section within BQ4 system. A helpdesk portal/helpline is also available to log any specific issues that cannot be resolved by using help information within the system.

### **Transaction Authorisation**

- 3.7 The Chief Financial Officer will authorise all transactions posted to the finance system BQ4. The authorisation process is completed via the system and is a paperless process. The documents authorised will include purchase orders, purchase ledger invoices, sales ledger invoices and supplier payments. An audit report can be generated upon request outlining authorisation details.

### **Reconciliations**

- 3.8 The Senior Finance Assistant is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:
- purchase ledger control account;
  - payroll control accounts;
  - vat control accounts;
  - bank balance per the general ledger to the bank statement;
  - all other balance sheet accounts in use (not listed above).
- 3.9 The reconciliations are reviewed and signed by the Chief Financial Officer as evidence of authorisation. Any unusual or long outstanding reconciling items must be brought to the attention of the Chief Financial Officer.

#### **4. FINANCIAL PLANNING**

- 4.1 The Chief Financial Officer will prepare both medium and short-term financial plans. The Academy prepares both medium term and short-term financial plans. These plans are prepared to inform the academy's strategic development planning processes for the next three years
- 4.2 The medium term financial plan is prepared as part of the development planning process. The development plan indicates how the Academy's educational and other objectives are going to be achieved within the expected level of resources over the next three years.
- 4.3 The Academy Improvement Plan (AIP) provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Academy and the planned use of those resources for the following year.
- 4.4 The budgetary process is described in more detail below.

##### **Annual Budget**

- 4.11 The Chief Financial Officer is responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the Principal, Finance & Human Resources Committee and the Trust Board.
- 4.12 The approved budget must be submitted to the ESFA by 31 July (unless informed otherwise) and the Chief Financial Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.
- 4.13 The annual budget will reflect the best estimate of the resources available to the Academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.
- 4.14 The budgetary planning process will incorporate the following elements:
- forecasts of the likely number of pupils to estimate the amount of ESFA/DfE grant receivable;
  - review of other income sources available to the Academy to assess likely level of receipts;
  - review of past performance against budgets to promote an understanding of the Academy cost base;
  - identification of potential efficiency savings and
  - review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.

##### **Balancing the Budget**

- 4.15 Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.

## **Finalising the Budget**

- 4.16 Once the different options and scenarios have been considered, a draft budget should be prepared by the Chief Financial Officer for approval by the Principal, The Finance & Human Resources Committee and the Trust Board. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.
- 4.17 The budget should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, it is easier for all concerned to take remedial action. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

## **Monitoring and Review**

- 4.18 Monthly reports will be prepared by the Chief Financial Officer. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Principal and the Finance & Human Resources Committee.

Management accounts must be considered by the board when it meets and be assured it has appropriate oversight of the trust's financial position.

- 4.19 The management accounts are reviewed by the Principal before sharing with Trustees. Any potential overspend against the budget must be discussed with the Principal before formally reported to Finance and Human Resources Committee.
- 4.20 The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate.

## **5. PAYROLL**

- 5.1 The main elements of the payroll system are:
- staff appointments;
  - payroll administration and
  - payments.

### **Staff Appointments**

- 5.2 The Trust Board has approved a personnel establishment for the Academy. Changes can only be made to this establishment with the express approval in the first instance of The Finance & Human Resources Committee who must ensure that adequate budgetary provision exists for any establishment changes.
- 5.3 The Principal has authority to appoint staff within the authorised establishment except for Senior Vice Principals and the Chief Financial Officer whose appointments must follow consultation with the trustees. The Senior Payroll & HR Officer maintains personnel files for all members of staff which include contracts of employment. Initially, an appointment of staff form is completed and authorised



by the Principal. A new starter checklist is then completed and once all documentation is received and clearances in place, all information is then input into the payroll system (Edupay/BPS). A copy of this input is printed and then authorised by the Principal. All personnel changes must be recorded on the HR tracker schedule and updated on a timely basis for the use by the Chief Financial Officer.

### **Payroll Administration**

- 5.4 The Academy HR advisory and HR administration, service is provided by HR Solutions. The payroll and pension service are provided by Orovia (Edupay). Access to the system is authorised by the Principal and is restricted to the Principal, CFO, Senior Payroll & HR officer and the Senior Finance Officer. Authorisation to process the payroll is restricted to the Principal/CFO.

All personnel files shall be stored in a lockable cabinet. Only the CFO, Senior HR officer, Principal & Principal's PA will have access to staff files but individuals can request to see their own files in line with latest data protection policies.

The Payroll and HR Officer is responsible for keeping the staff personnel database up-to-date via Edupay system. Sickness and leave of absence (paid and unpaid) is added to the Staff Absence Report by the Principal's PA on a daily basis. The data is then process to Edupay by the Senior Payroll & HR Officer.

### **Payments and Monitoring**

- 5.5 All salary payments are made directly from the Academy's bank account on a monthly basis by BACS. Orovia are authorised, as an agent, to process BACS payments on behalf of the Academy through the BACS bureau service.
- 5.6 At the start of the payroll cycle, a 'payroll checklist' is set up. This checklist/workflow includes all steps required to ensure that all adjustments have been made and checks have been completed. The Senior Payroll & HR Officer should input all overtime, lunch time claims and other additional payments onto the payroll portal in line with the payroll timetable. All claim forms should be checked by the CFO and authorised as follows: -

|                     |   |
|---------------------|---|
| Overtime/mileage    | Line Manager/Vice Principal & CFO/Principal |
| Invigilators Claims | Director of Operations & CFO/Principal      |
| Lunch Duties Claims | Director of Operations & CFO/Principal      |

The records are locked and the initial reports are produced by the by the Senior Payroll & HR Officer Finance. The CFO or Principal must then check reports and authorise the payroll to be processed via the payroll system's portal.

- 5.7 Once authorised, the payroll will be processed by Orovia and we will receive notification when final reports will be available to view. A reconciliation between the current month and previous month gross payments is then completed at employee level. From this information, a schedule summarising all starters and leavers in the period is prepared. All standard reports are downloaded from the portal and authorised by the CFO and then the Principal. A signed hard copy of the reconciliation, summary of starters and leavers and standard reports are retained by the CFO.

- 5.8 The Senior Payroll & HR Officer will reconcile a list of all employee changes as per HR tracker schedule to the changes processed in the payroll system for the current month. This is reviewed and authorised by the Chief Financial Officer.
- 5.9 The payroll costing file is included within the suite of standards reports provided by Orovia following approval and processing of the payroll. The report should be converted into a journal file and uploaded into the Bluqube System immediately by the Senior Finance Officer/Payroll & HR Officer. Postings will be made both to payroll control accounts and to individual pay cost accounts. This should be completed for both support and teaching payrolls individually. The payroll third party payment schedule should be prepared and authorised by the Chief Financial Officer and the Principal in line with the bank mandate.

## **6 INCOME**

- 6.1 The main sources of income for the Academy are the grants from the ESFA. The receipt of these sums is monitored directly by the Chief Financial Officer who is responsible for ensuring that all grants due to the Academy are collected.
- 6.2 The Academy also obtains income from:
- Local Authority in respect of statemented pupils
  - Edge Hill University in respect of ITT, Future Teachers
  - Students, mainly for trips, books etc. and
  - The Leisure Centre for recharge of Utilities

### **Trips**

- 6.3 If payment is not possible by ParentPay, staff should refer all students to the Finance Office to make payments. This payment will then be updated on ParentPay as a cash/cheque payment, and a receipt will be issued from the ParentPay system.
- 6.4 If cash or cheque payments are collected by the teacher, they must complete a deposit slip detailing all payments received and pass to the Senior Finance Assistant as soon as possible. The deposit slip will be signed by both members of staff and banked as soon as possible. The cash/cheque payments will then updated on ParentPay.

### **Custody**

- 6.5 Deposit slips/receipts are allocated to all cash and cheques payments received. The slips are numbered sequentially when money is banked and this reference is included within the general ledger journal. All cash and cheques must be kept in the safe prior to banking. Banking should take place when required ensuring that if the sums collected do not exceed the £2,000 insurance limit for each safe.

The Finance Officer is responsible for banking cash and cheques in their entirety. The Senior Finance Assistant or Finance Officer is then responsible for preparing and inputting the cash journal

transactions into the finance system and attaching supporting information. Once completed, the journal is reviewed and authorised by the Chief Financial Officer (via the BQ4 authorisation screen).

## **7 CASH MANAGEMENT**

### **Bank Accounts**

7.1 The opening of all accounts must be authorised by the Trust Board who must set out, in a formal memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

### **Deposits**

7.2 Particulars of any deposit are entered in a 2 part paying-in book. Details of cash transactions relating to the deposit are filed according to paying in slip number and accompanied by an internal paying in slip and an analysis of receipts.

### **Payments and withdrawals**

7.3 All cheques and other instruments authorising withdrawal from Academy bank account must bear the signatures of two of the following authorised signatories:

- Principal;
- Chief Financial Officer;
- Senior Vice Principal;
- Chair of Trustees;

7.4 This provision applies to all accounts, public or private, operated by or on behalf of the Trust Board of the Academy.

### **Administration**

7.5 The Chief Financial Officer must ensure bank statements are received and filed regularly and that reconciliations are performed on a monthly basis. Reconciliation procedures must ensure that:

- all bank accounts are reconciled to the Academy's cash book;
- reconciliations are prepared by the Senior Finance Assistant;
- reconciliations are subject to an independent monthly review carried out by the Chief Financial Officer
- adjustments arising are dealt with promptly.

### **Petty Cash Accounts**

7.6 The Academy maintains a maximum cash balance of £500 and a float balance of £100. The cash is administered by the Finance Officer and is kept in the finance office safe.

### **7.7 Credit Card Payments**

Corporate Cards are currently issued to:

| <u>Post</u>             | <u>Transaction limit</u> |
|-------------------------|--------------------------|
| Chief Financial Officer | -                        |
| Principal               | -                        |
| Senior Finance Officer  | £500                     |
| Curriculum leader food  | £500                     |

The corporate credit cards should be used for small or one-off items of expenditure where it is not practical to purchase the items via the official procurement route. The corporate credit card may be used over the telephone, by internet or in person. This must be authorised by the card holder before the transaction is completed. The card should never be stored on a website, copied or given verbally to anyone other than when making a purchase.

The budget holder must complete and sign a requisition form or enter and authorise an order on the finance system (BQ4) and the order is authorised by the CFO prior to the completion of the payment transaction. A copy of the invoice is sent to the budget holder for confirmation that the goods have been received and the charge is correct. Any discrepancies should be notified to the Accounts Assistant immediately. The credit card statement is registered onto the system when received and matched to all authorised orders and invoices.

## 7.8 Amazon Business Account

All academy staff have access to an Amazon Business account for requesting goods. Goods should be added to basket and the relevant GL code added (which is specific to the budget holder). An order should also be processed on the BQ4 finance system for the goods requested and the PO number should be quoted on the Amazon order. The purchase order number will only be available once the purchase order has been authorised by the CFO. Once finalised, the Amazon order will be referred to the budget holder for authorisation. Once the order is approved both on Amazon by the budget holder and on BQ4 by the budget holder and CFO, the finance assistant will check the order value against the purchase order and authorise transaction on the Amazon website.

## Deposits

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

## Payments and Withdrawals

- 7.10 In the interests of security, petty cash payments will be limited to £30 wherever possible. Payments above £30 should be approved, prior to the purchase, by the Chief Financial Officer. Petty cash may be reimbursed by cash payment, payment via payroll or by BACS.

## Administration

- 7.11 The Finance Officer is responsible for entering all transactions into the petty cash records on a regular

basis. A transaction sheet with all transactions should be completed and all receipts attached. This will be reviewed and authorised by the Chief Financial Officer before input into the BQ4 finance system.

Routine as well as unannounced cash checks should be undertaken by the Chief Financial Officer to ensure that the cash balance reconciles to supporting documentation.

### **Physical Security**

- 7.12 Petty cash should be held in a locking cash box which is put in the safe overnight.

### **Cash Flow Forecasts**

- 7.13 The Senior Finance Officer is responsible for preparing and updating cash flow forecasts on a daily basis to ensure that the Academy has sufficient funds available to pay for day to day operations. The forecast should be reviewed by the Chief Financial officer and if significant balances can be foreseen, steps should be taken to invest the extra funds.

### **Investments**

- 7.14 Investments must be made only in accordance with written procedures approved by the Trust Board (Appendix 9 investment policy).
- 7.15 All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

## **8 FIXED ASSETS, BAD DEBTS AND REDUNDANT EQUIPMENT**

### **Asset register**

- 8.1 All items purchased with a value over the Academy's capitalisation limit must be entered in an asset register. The current capitalisation limit is £1,000. The asset register should include the following information:

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

- 8.2 The Asset Register helps:

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

### **Security of assets**

- 8.3.1 Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.
- 8.3.2 An asset tag detailing the Academy's logo, bar code and TSA asset code should be added to all IT related equipment in the register.
- 8.3.3 Asset registers will be issued annually before the end of the academic year by the Finance Department to budget holders. The registers should be checked and signed by the budget noting any discrepancies. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Trust Board. Inventories of Academy property should be kept up to date and reviewed regularly. Items used by the Academy but do not belong to it should be noted.
- 8.3.4 The Parago Inventory system is used by the IT department to record all IT related assets. Equipment is assigned to a physical location (ie room number or office) and laptops are allocated to the member of staff. Technicians periodically spot check rooms to ensure that equipment has not been moved due to failure or replacement and update system accordingly.

### **Disposals**

- 8.5 Items which are to be disposed of by sale or destruction must be authorised for disposal by the Chief Financial Officer and, where significant, should be sold following competitive tender. The Academy must seek the approval of the ESFA in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.
- 8.6 Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the Academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the Academy would need to ensure licences for software programmes have been legally transferred to a new owner.
- 8.7 The Academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other Academy assets. If the sale proceeds are not reinvested then the Academy must repay to the ESFA a proportion of the sale proceeds.
- 8.8 **Acquisition and disposal of fixed assets**  
All disposals of land must be agreed in advance with the Secretary of State for 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 etc.) without the approval of the Secretary of State.

### **Loan of Assets**

- 8.9 Items of Academy property must not be removed from Academy premises without the authority of the Head of Department. A record of the loan must be recorded in a loan book and booked back in Academy when it is returned.

The academy's acceptable use policy details that staff may use equipment for the purposes of work (this includes working from home). Staff may take devices home for work purposes and this is agreed when employment commences. The security of the device is the responsibility of the user.

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

### **Tax**

- 8.11 The Academy is not registered for VAT purposed as business activity is not expected to exceed £85,000 per annum.
- 8.12.1 VAT claims are made to HMRC on a monthly basis using the VAT 126 claim form. A Vat report is produced from the BQ4 accounting system. Once reconciled, it is uploaded to the HMRC claims portal in order to lodge the claim for payment. Claims will be made only for invoices/supply has been made in the name of the Academy and invoice/receipts has been received.

### **Insurance**

- 8.13 The Academy reviews all risks annually to ensure the cover available and the sums insured are adequate.
- 8.14 The Academy will notify the insurers of any new risks or any other alterations affecting existing insurance.
- 8.15 The Academy will not give any indemnity to a third party.

### **Bad Debts & Credit Control Procedures**

- 8.16 The procedure for debt recovery and for the write-off of any debt which is deemed to be irrecoverable will follow guidance.
- 8.17 Wherever possible, income due will be collected before or at the time the relevant sale or service is provided. If this is not possible, an invoice will be issued. All debts will be recorded and non-payment will be followed up by issuing reminders. The payment terms for invoices is net monthly and the first payment reminder will be by a telephone call on the due date. This will be followed up by an email 1 week later if the debt is still outstanding. Actions taken will be recorded against the

relevant debtor within the finance system. The Chief Financial Officer will review outstanding debts on a monthly basis when authorising the debtors reconciliation.

- 8.18 If, after every effort has been made to collect the debt and legal action is considered impractical, individual bad (irrecoverable) debts may be written off in accordance with the following procedures.
- 8.19 The Principal/Chief Financial Officer on behalf of the Academy Trust must provide 30 days' notice to the Secretary of State for Education of its intention to write off any debts owed to it as set out in Section 108 of the Academies Funding Agreement.

Irrespective of whether ESFA approval is required, the academy must disclose aggregate figures for transactions of any amount, and separate disclose for individual transactions above £5,000 in its audited accounts.

The Academies Financial handbook stipulates that ESFA consent is required if debts exceed:

- 1% of annual income or £45,000 individually; or
- 2.5% or 5% of annual income cumulatively

- 8.20 The Academy will write off debts 6 months after due date and a bad debt write-off summary and evidence of approval (if required) will be retained.

### **Redundant Equipment**

- 8.21 The Trust Body has the authority to declare equipment, furniture or other assets, surplus to requirements and to make arrangements for their sale or write off, provided that the items concerned were purchased in whole or in part with a grant from the Secretary of State.
- 8.22 A disposal of equipment form will be completed for all items which are to be disposed of and internal controls will be exercised to ensure that the asset is no longer of use (i.e. it is obsolete) and that obsolete stocks are destroyed to ensure they are not illegitimately procured and then resold.
- 8.23 Where the estimated disposal value of surplus or redundant assets (equipment) is less than £5,000, disposal can be authorised by the Principal.
- 8.24 The prior approval of the Trust Board will be required if;
- The estimated value of disposal is above £5,000 and the sale is not to be by a public auction or competitive tendering;
  - The estimated disposal is over £5,000 or;
  - The sale is to be to a Trustee or employee of the Academy.
- 8.25 The prior written consent of the Secretary of State for Education is required in accordance with Section 109 of the School Funding Agreement as follows;
- Before the disposal of any asset for which a grant of over £20,000 was made, or land and buildings which had been transferred from the Local Authority at no cost to the school.
  - Before the sale or disposal by other means, or reinvestment of proceeds from the disposal or an asset or group of assets, for which a capital grant in excess of £20,000 was paid.



- 8.26 As set out in Section 112A of the Academy Funding Agreement the Academy will provide 30 days written notice to the Secretary of State for Education of its intention to dispose of assets for a consideration less than the best price that can reasonably be obtained whether or not such disposal requires the Secretary of States for Education's consent as detailed above.
- 8.27 **The document should be read in conjunction with the Academy Trust Handbook 2023 which is effective from 1st September 2023, and the related guidance for academies.**

**ANNEX 1 – FINANCIAL SCHEME OF DELEGATION WHICH COVERS  
POWERS AND DUTIES**

**Financial Scheme of Delegation which covers the Powers and Duties of:**

1. Powers and Duties Reserved for the Trust Body
2. Powers and Duties delegated to the Finance and HR Committee
3. Financial Powers and duties delegated to the Principal
4. Financial Powers and duties delegated to the Chief Financial Officer and Vice Principals
5. Financial Powers and duties delegated to Other Staff.
6. Summary of Financial Authorisation Levels

**1. Powers and Duties Reserved for the Trust Board:**

The Trust Body shall be responsible for:

**General**

- 1.1 Approval of a written scheme of delegation of its financial powers and duties to its Finance and HR Committee, the Principal and other staff. The scheme must satisfy the Trust Body's ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within the Academy. The Scheme of Delegation should be operated in conjunction with the Financial Regulations of the Academy.

**Budgets/Budgetary Control**

- 1.2 Formally approving the annual Academy budget (for formal approval by the Academy Trust) prior to the start of each financial year.
- 1.3 Considering budgetary control reports from the Finance and HR Committee at every meeting, with relevant explanations and documentation were required.
- 1.4 Authorisation of all virements in excess of £30,000 between budget headings. Details of all virements approved and authorised by the Finance and HR Committee are to be formally notified to the Trust Body.

**Purchasing**

- 1.5 Maintenance of a Register of Business Interests for all Trustees and those Academy staff with financial responsibilities.
- 1.6 Authorisation of the advertising of tenders above £50,000, and authorising the award of such tenders.

- 1.7 Tenders other than the most financially favourable, or late tenders, can only be accepted by the Trust Body who shall minute the reasons for their decision.

### **Income**

- 1.8 Authorisation of the write off of debts not collectable (the Secretary of State's prior approval is also required if debts to be written off are above the value set out in the funding agreement).

### **Security of Assets**

- 1.9 Authorisation of the disposal of individual items of equipment materials that have become surplus to requirements, unusable or obsolete with an original purchase value in excess of £5,000.

### **Accounts and Audit**

- 1.10 Appointment of external Auditors
- 1.11 Reviewing the draft financial statements prior to audit and approval of the audited financial statements prior to submission to the Secretary of State by 31 December.
- 1.12 Receiving the reports of the external auditor.
- 1.13 Receiving internal audit reports on the use of resources, systems of internal financial control, and discharge of financial responsibilities.
- 1.14 Informing the ESFA if it suspects any irregularity affecting resources.

## **2 Powers and Duties Delegated to the Finance and HR Committee:**

The Finance and HR Committee shall be responsible for:

### **General**

- 2.1 Exercising the powers and duties of the Trust Body in respect of the financial administration of the Academy, except for those items specifically reserved for the Trust Body and those delegated to the Principal and other staff.
- 2.2 Reporting on decisions taken under delegated powers to the next meeting of the Trust Body.

### **Budgets/Budgetary Control**

- 2.3 Reviewing the annual Academy budget and three year forecast prior to the start of each financial year and recommending its acceptance or otherwise to the Trust Body.
- 2.4 Considering budgetary control reports/in year forecasts on the Academy's financial position at every meeting, taking appropriate action to contain expenditure within the budget and report to the Trust Body.
- 2.5 Reviewing the virement of sums between budget heads, subject to a limit of £30,000, as approved and authorised by the Principal and Chief Financial Officer, which are to be formally notified to the Finance & HR Committee who shall minute the notification.

2.6 Reporting to the Trust Body all significant financial matters and any actual or potential overspending.

#### **Purchasing**

2.7 Authorising the award of orders and contracts over £10,000 and up to £50,000.

#### **Insurances**

2.8 Ensuring that arrangements for insurance cover are in place and adequate.

#### **Security of Assets**

2.9 Ensuring that there are annual independent checks of assets and the asset register.

2.10 Authorising the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with an original purchase value of up to £5,000 and reporting such authorisations to the Trust Body.

#### **Personnel**

2.11 Authorising permanent changes to the Academy's establishment.

#### **Accounts and Audit**

2.12 Reviewing the draft financial statements and highlighting any significant issues to the Trust Body, prior to submission to the Secretary of State by 31 December.

2.13 Reviewing the Internal audit reports on the effectiveness of the financial procedures and control. These reports must also be reported to the Trust Body.

### **3 Financial Powers and Duties Delegated to the Principal:**

The Principal has delegated powers and functions in respect of internal organisation, management and control of the Academy, the implementation of all policies approved by the Trust Body and for operational direction of teaching and the curriculum.

The Principal shall be responsible for:

#### **Budgetary control**

3.1 Reviewing income and expenditure reports and highlighting actual or potential overspending to the Finance & HR Committee.

3.2 Approving virements between budget headings of over £10,000 and up to £30,000 and reporting such approval to the Finance & HR Committee.

#### **Financial Management**

3.3 Ensuring the arrangements for collection of income, ordering of goods and services, payments and security of assets are in accordance with the Financial Regulations.

#### **Purchasing**

3.4 Authorising orders and contracts over £5,000 and up to £10,000 in conjunction with the Chief Financial Officer.

3.5 Ensuring that all contracts and agreements conform to the Financial Regulations.

#### **Payroll and Personnel**

3.6 Approving new staff appointments (below or at Faculty leader level) within the authorised establishment.

3.7 Checking of payroll and certifying the payment of salaries each month, in conjunction with the Chief Financial Officer.

#### **Security of Assets**

3.8 Ensuring that proper security is maintained at all times for all buildings, furniture, equipment, vehicles, stocks, stores, cash, information and records etc under his/her control.

#### **Accounts and Audit**

3.9 The operation of financial processes within the Academy, ensuring that adequate operational controls are in place and that the principles of internal control are maintained.

3.10 Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.

3.11 Ensuring that all records and documents are available for audit by the appointed external auditors and by the internal auditors.

### **4 Financial Powers and Duties Delegated to the Chief Financial Officer:**

The Chief Financial Officer shall be responsible for:

#### **Budget/Budgetary Control**

4.1 Preparing an annual draft budget plan for consideration by the Finance and HR Committee and Trust Body before the start of the relevant financial year.

4.2 Monthly monitoring of expenditure and income against the approved budget and sharing reports on the Academy's financial position with the Chair of Trustees on a monthly basis and with other trustees six times a year. In addition, the management accounts should be considered by the board when it meets, taking action to maintain financial viability. Any actual or potential overspending shall be reported to the Finance & HR Committee.

4.3 Approving virements between budget headings up to a value of £10,000 and reporting such approval to the Finance and HR Committee.

#### **Purchasing**

4.4 Authorising orders and contracts over £1,000 and up to £5,000 in conjunction with Budget Holders or Senior Vice Principal.

4.5 Maintaining a register of formal contracts entered into, amounts paid and certificates of completion.

- 4.6 Retention of quotes obtained for goods, works and services.
- 4.7 Ensuring that all correct invoices are duly certified by authorised staff before payments are made and that invoices, vouchers and other records are retained and stored in a secure way and are readily available for inspection by authorised persons.
- 4.8 Ensuring that appropriate division of duties between staff responsible for processing orders, receiving deliveries and processing payments.
- 4.9 Maintaining a list of authorised signatories clearly stating the expenditure codes and limits

#### **Payroll and Personnel**

- 4.10 Authorisation of additional payments affecting payments to employees.
- 4.11 Ensuring that the monthly payroll is accurately checked, and certifying it for payment in conjunction with the Principal.
- 4.12 Authorise time records and overtime payments where appropriate.

#### **Income**

- 4.13 Ensuring that all income is accurately accounted for and is promptly collected and banked intact.

#### **Banking Arrangements**

- 4.14 Maintaining proper records of account and reviewing monthly bank reconciliations.
- 4.15 The opening of bank accounts of the Academy requires the specific approval of the Finance & HR Committee.

#### **Insurances**

- 4.16 Notifying the Finance and HR Committee on any eventuality that could affect the Academy's insurance arrangements.

#### **Security of Assets**

- 4.17 Maintaining a permanent and continuous register of all items of furniture, equipment, vehicles and plant.

#### **Information and Communication Systems**

- 4.18 Maintaining the standards of control for such systems in operation within the Academy to include the use of properly licensed software, and for the security and privacy of data in accordance with the Data Protection Act.

### **5 Financial Powers and Duties Delegated to Other Staff:**

Members of staff with delegated responsibilities should be aware that these

must be exercised in accordance with Financial Regulations.

The following responsibilities are delegated to other staff in addition to the Principal and Chief Financial Officer:

**Budgets/Budgetary Control**

- 5.1 Employees appointed as Budget Holders are responsible for checking and certifying of expenditure against their delegated budget and for reporting any errors or irregularities to the Chief Financial Officer. All budget holders have access to expenditure history on BQ4 finance system. Any actual or potential overspending shall also be reported to the Chief Financial Officer.

**Purchasing**

- 5.2 Budget Holders can authorise orders up to £1,000 provided it is within the scope and remaining balance of their delegated budget. All orders should be raised in the Blubqube finance system. The order request will initially be authorised by the budget holder and then referred to the Chief Financial Officer for review and authorisation (up to value of £5,000). The system will refer orders above £5,000 to the Principal, in line with the limits set in the Scheme of Delegation (See Anne 1). Any orders above the Principal's delegated limit will be authorised once approved by the Trust Board.
- 5.3 The following members of staff are authorised to receive and check goods:
- Budget Holders
  - Administrators nominated by the Budget Holder.
  - Administration team in the holiday period
- 5.4 The Senior Vice Principals can authorise orders and contracts over £1,001 up to £5,000

**ANNEX 1 – SCHEME OF DELEGATION**

| <b>Delegated Duty</b>                               | <b>Value</b>   | <b>Delegated Authority</b>  | <b>Method</b>  |
|---|--|---|--|
| Ordering Goods and Services (raising requisitions). | Up to £1,000   | Budget Holder   | Selection from preferred supplier list unless agreed otherwise with Chief Financial Officer  |
|   | £1,001 to £5,000   | As above plus Vice Principal or Chief Financial Officer   | Two quotes required for orders between £1,001 and £2,000. Three quotes required for orders above £2,001  |
|   | £5,001 to £25,000  | Budget Holder, Vice Principal or Chief Financial Officer plus Principal   |  |
|   | £25,001 to £50,000   | As above plus Finance and HR Committee with the exception of any contracts/service level agreements previously approved by Finance & HR Committee (see schedule 1 & 2 for details of approved contracts and service level agreements. Other exceptions to include utility invoices, rates invoices, exam fee costs, supply agency costs | Formal tendering process, including advertising in Notices for new procurements are made in the UK e-notification service, Find A Tender (FTS) <a href="https://www.find-tender.service.gov.uk">https://www.find-tender.service.gov.uk</a> . |
|   | Over £50,000   | Trust Body  |  |
|   | Authority to accept other than lowest quotation or tender  | Trust Body  |  |
| Authorisation of annual pay awards and increments   | Up to £50,000  | Finance & HR Committee<br><br>Trust Body  | (Principal may authorise one-off increments which are within budget and advise Finance Committee verbally.   |
|   | £50,000 and above (Principal may authorise increments within budget and advise Finance Committee verbally. |   |  |
| Signatories for                                     | Any  | Two signatories from:   |  |



|   |   |  |  |
|---|---|--|--|
| cheques, BACS payment authorisations and other bank transfers |   | <ul style="list-style-type: none"> <li>- Chief Financial Officer</li> <li>- Principal</li> <li>- Vice Principal</li> <li>- Nominated Trustee</li> </ul>  |  |
| Signatories for ESFA grant claims and ESFA returns            | Any   | <p>Two signatories (or as required by ESFA) from:</p> <ul style="list-style-type: none"> <li>- Chief Financial Officer</li> <li>- Principal</li> <li>- Vice Principal</li> <li>- Nominated Governor</li> </ul> |  |
| Virement of budget provision between budget heads             | Up to £10,000   | Chief Financial Officer, with reporting to the Finance and HR Committee  |  |
|   | £10,001 to £30,000  | As above plus Principal, with reporting to the Finance and HR Committee.   |  |
|   | Over £30,000  | Trust Body   |  |
| Disposal of assets  | Up to £5,000  | Finance and HR Committee   |  |
|   | £5,001 to £20,000   | As above plus Trust Body   |  |
|   | Over £20,000  | As above, plus ESFA approval required for disposal of assets funded with more than £20,000 of EFA grant, or transferred from an LA at nominal consideration.   |  |
| Write-off of bad debts  | Up to £1,000  | Trust Body   |  |
|   | <ul style="list-style-type: none"> <li>• 1% of annual income or £45,000 individually; or</li> <li>• 2.5 o 5% of annual income cumulatively</li> </ul> | As above plus ESFA approval  |  |
| Purchase or sale of any freehold property                     | Any   | ESFA approval required   |  |
| Granting or take up   | Any   | ESFA approval required   |  |

|   |                     |  |  |
|---|---------------------|--|--|
| of any leasehold or tenancy agreement exceeding three years |                     |  |  |
| Raising invoices to collect income                          | Up to £5,000        | Chief Financial Officer                |  |
|   | £5,001 to £10,000   | As above plus Principal                |  |
|   | £10,001 to £100,000 | As above plus Finance and HR Committee |  |
|   | Over £100,000       | Trust Body                             |  |

**ANNEX 2 – REQUEST TO WAIVER PURCHASING PROCEDURES**

| <b>Alternative Quotations</b>  |
|--|
| Orders for any single item over £1,000 must be accompanied by 2 quotes unless goods are ordered from YPO/Lyreco<br>Orders for any single item over £2,000 must be accompanied by 3 quotes unless goods are ordered from YPO/Lyreco |

| Quotation Ref/Date | Supplier | Preferred Quote Y/N | Reason for Preference (Cheapest/Quality of goods or service/urgency required/Other) | Price/Quote £ |
|--------------------|----------|---------------------|---|---------------|
|                    |          |                     |   |               |
|                    |          |                     |   |               |
|                    |          |                     |   |               |

| <b>WAIVER OF PURCHASING PROCEDURES (TO BE COMPLETED IF ALTERNATIVE QUOTES CANNOT BE OBTAINED)</b>  |         |     |
|--|---------|-----|
| If 2/3 quotations cannot be supplied, the section below (request to waive purchasing procedures) must be completed. The request to waive procedures will be reviewed by the CFO/Principal/Trustees if deemed appropriate |         |     |
| REASON FOR DISPENSATION  | DETAILS | Y/N |
| Specialist provision/no alternative supplier   |         |     |
| Goods/Services required urgently – only supplier who can guarantee delivery date   |         |     |
| Quality of goods   |         |     |
| Other  |         |     |



**ANNEX 3 - ESFA ACADEMY TRUST-HANDBOOK 2023- EFFECTIVE FROM 1ST SEPTEMBER 2023**

<https://www.gov.uk/guidance/academy-trust-handbook>

## **ANNEX 4: PROCUREMENT POLICY**

### **Contents**

- 1 Purchasing**
  - 1.1 Introduction
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- 2 Tendering**
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- 4 Procurement – Best Practice Checklist**

## 1. Purchasing

### 1.1 Introduction

The Academy wants to achieve the best value for money from all their purchases. A large proportion of their purchases will be paid for with public funds and they need to maintain the integrity of these funds by following the general principles of:

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

### 1.2 Routine Purchasing - Procedure

1.2.1 Budget holders will be informed of the budget available to them at the start of the academic year. A document detailing the budget available, financial procedures and declarations of interests will be sent by email and should be signed and return to the finance office before any expenditure requests are processed.

It is the responsibility of the budget holder to manage their budget and to ensure that the funds available are not overspent. In order to manage this, all budget holders have access to their expenditure transactional history on BQ4 finance system. A summary of available and remaining funds for each budget can be viewed on the initial landing page.

1.2.2 Purchases up to £1,000 can be ordered by the Budget holder. In the first instance, a supplier should be chosen from the list of approved suppliers maintained by the finance department. Each access class/(budget holder) within the BQ4 system is granted access to approved suppliers historically used. Access can be given to existing approved suppliers not currently assigned to budget holder upon request. A request for the setup of a new supplier should be made through the BQ4 system. This request will be referred to the CFO for approval. A quote or price must always be obtained before any order is placed, for single items over £1,001 two quotes must be obtained (unless an authorisation to waiver purchasing procedures form is approved by the Chief Financial Officer – see Annex 2 Financial Regulations). If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the Chief Financial Officer.

1.2.3 All orders should be raised and authorised by logging in to BQ4 finance system. Once the approval process has been completed, the budget holder will receive an email notification confirming that the order has been authorised. The notification will include a purchase order reference. This reference should be used when contacting the supplier to place the order. If you require assistance with placing the order with the order, contact the Finance Officer for assistance.

- 1.2.4 The budget holder must make appropriate arrangements for the delivery of goods to the Academy. The Finance Officer will ensure any goods ordered by the finance staff will state the name of the budget holder to ensure the goods are received by the correct department. On receipt the budget holder must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay.
- 1.2.5 If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Officer should be notified and will keep a central record of all goods returned to suppliers.
- 1.2.6 All invoices, once received, are registered in the BQ4 system and a copy of the invoice is attached to the record. Each invoice is then matched to the relevant purchase order in the system. The invoice is then allocated to an appropriate staff member who will then be able to view and authorise/reject the invoice electronically via the BQ4 system. Budget holders must undertake these checks without undue delay and in any case within 7 days of invoice receipt.  
In the absence of the budget holder e.g. summer holidays or staff absence, the invoice will be checked to ensure items have been delivered and signed by the budget holder's assistant or administration staff during the holiday period.  
If a budget holder is pursuing a query with a supplier the Finance Department must be informed of the query and periodically kept up to date with progress.
- 1.2.7 All suppliers should be informed that invoices are to be sent directly the Academy's finance email address. Any invoices sent directly to members of staff should be sent to the Finance Officer promptly. Once received, the invoice will be posted onto the Finance system. The invoice will be grid stamped and information relating to the invoice number, general ledger code, cost centre, batch details and the input date will all be recorded. The original copy of the invoice received will be scanned into the BQ4 system.
- 1.2.8 The Finance Officer will collate the invoices due for payment at the end of each month and attach to the proposed payment report. The proposed payments will be reviewed and authorised by the Chief Financial Officer.
- 1.2.9 Once the payment proposal report is checked and authorised, the Senior Finance Officer will generate a BACS submission report. The BACS payments and associated paperwork must be authorised by two of the nominated signatories listed on the bank mandate. A BACS remittance advice will be emailed to suppliers by the Finance Officer and the associated paperwork will be filed.
- 1.3 Quotations required and Order values (Orders over £1,001 but less than £25,000)**
- 1.3.1 At least two written quotations should be obtained for all orders between £1,001 and £2,000 and three quotations for orders between £2,001 and £25,000 to identify the best source of the goods/services unless YPO/Lyreco/Amazon Business is the preferred supplier. Written details of quotations obtained should be prepared and attached to the purchase order in the BQ4 system. Telephone quotes are acceptable if these are evidenced before a purchase decision is made. If the required number of quotations cannot be obtained, an authorisation to waive purchasing procedures form must be completed (refer to Annex 2 of the Financial Procedures Policy). The request to waive

the purchasing procedures will be reviewed by the Chief Financial Officer and authorised if deemed appropriate. The authorisation limits will be in line with those contained within the Scheme of Delegation.

### **Quotations and Order Values (Orders over £25,000)**

- 1.3.2 All goods/services ordered with a value over £25,000, or for a series of contracts which in total exceed £25,000 must be subject to tendering procedures. Following the UK's exit from the EU, UK procurement thresholds are governed by the WTO's Government Procurement Agreement. Notices for new procurements are made in the UK e-notification service, Find A Tender (FTS) <https://www.find-tender.service.gov.uk>.

This should be read in conjunction with the Financial Scheme of Delegation which sets out the delegated authority for Budget Holders, The Principal, Vice Principal and The Chief Financial Officer.

Tenders in respect of utility costs may be completed by St Helens Council on behalf of schools and academies (through a reputable framework such as YPO). Approval for the inclusion in such a contract must be approved each time the contract is re-tendered.

## **2 Tendering**

### **2.1 Introduction**

- 2.1.1 In all cases of formal tender the advice and assistance of the Chief Financial Officer should be sought.

### **2.2 Types of Tender**

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

- **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Chief Financial Officer how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.
- **Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
  - there is a need to maintain a balance between the contract value and administrative costs,
  - a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the Academy's requirements,
  - the costs of publicity and advertising are likely to outweigh the potential benefits of open



tendering.

- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:
  - the above methods have resulted in either no or unacceptable tenders,
  - only one or very few suppliers are available,
  - extreme urgency exists,
  - additional deliveries by the existing supplier are justified.

## **2.3 Scope**

2.3.1 A formal tendering procedure must be initiated for all goods and services, which are likely to total over £25,001 excluding VAT.

2.3.2 The tendering process is not necessary in the following circumstances:

- The items required have been subject to a formal tendering procedure conducted by an associated Purchasing Consortium.
- The items required have already been subject to an Academy tendering procedure within the previous 12 months and where the price obtained is the same as that arrived at in the previous tendering exercise.
- The Finance & Human Resources Committee may, in exceptional circumstances, authorise the waiver of purchasing procedures up to a maximum of £50,000

## **2.4 General Rules**

2.4.1 The tendering process must be applied consistently and all staff involved with tendering must be able to verify that during their involvement, the tendering procedure has been adhered to.

2.4.2 Any person involved in the tender process who has a personal interest in any tender must declare this at the start of the process. Failure to do so will result in disciplinary action.

2.4.3 During the tendering process, the details of any tender from a contractor or supplier are confidential and must not be disclosed to anyone outside the Academy.

2.4.4 At the end of the tendering process, a contract will be let. However, details of the successful tender must remain confidential to the Academy and the supplier unless the Academy and supplier decide otherwise.

2.4.5 Under no circumstances should any member of staff take action to deviate from the stated tendering process without the express approval of the Chief Financial Officer and the Principal. Any breach of the procedure must be reported to the Chief Financial Officer and Principal and the staff concerned may be subject to disciplinary action.

2.4.6 For all tenders over £25,000 (excl. VAT) at least 3 suppliers must be included on the tender list. Exceptionally, where fewer suppliers are in a position to supply the required goods or services, all such suppliers must be placed on the tender list.

2.4.7 The closing date for returned tenders must be strictly adhered to. All tenders received after the specified time must be returned to sender unless the tender envelope is postmarked prior to the closing date. Tenders received before the specified time must be held unopened in the safe.

## **2.5 Preparation for Tender**

2.5.1 Full consideration should be given to

- objective of project
- overall requirements
- technical skill required
- after sales service requirements
- forms of contract

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

## **2.6 Tendering Process**

2.6.1 Specification

Many products which the Academy wishes to purchase should be straightforward in terms of their description. It is, however, noted that the specification of a product which is complex may be difficult and time consuming. Description of a "service" will similarly not be easy. The guiding principle is the provision of an equitable specification covering expected quality and workmanship standards, service level standards and functionality which allows all tendering suppliers to quote on equal terms. The inclusion of brand names in the specification should be avoided.

2.6.2 Responsibility for Specification

Specifying the requirement is an integral and important part of the tendering process and it is the responsibility of the budget holder responsible for the School or Section to sign off the specification. Either the budget holder or an authorised and selected deputy should be regarded from this point as the "project leader" and will be responsible for ensuring compliance with all aspects of the tendering procedure.

2.6.3 Selection of Suppliers

Prospective suppliers can be identified either as a result of advertising at a local, regional or national level or by approaching known suppliers. If there are few suppliers, the market should be searched, where there are many suppliers' justifiable restrictions should be placed on the tenders.

2.6.4 The Invitation to Tender Document

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is

used an invitation to tender may be issued in response to an initial enquiry. The Invitation to Tender Document (ITT) should include:

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements, specifications and any drawings;
- the terms and conditions of tender (with expected terms of contract);
- any special instructions to the tenderer (i.e. date and time of tender returns, etc.);
- a tender envelope sticker should be included with the invitation to tender and the prospective tenderers must be informed that use of this envelope sticker for any tender return is mandatory.

It is recommended that all tenders are processed through the Chief Financial Officer.

## **Aspects to Consider**

### ***Financial***

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

### ***Technical/Suitability***

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

### ***Other Considerations***

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

## **2.7 Tender Opening Procedures**

2.7.1 Envelopes containing tender documents should be date stamped upon receipt and kept locked away until arrangements can be made to open tenders.

2.7.2 Prior to the return date, a panel should be organised to open tenders. The panel should include the

following personnel:-

- For contracts up to between £10,001 and £50,000 – two of the budget holder, the Chief Financial Officer or the Principal;
- For contracts over £50,000 – the Chief Financial Officer and the Principal plus a member of the Finance & Human Resources Committee or a Trustee.

2.7.3 All tenders submitted should be opened at the same time. Upon opening each tender must be date stamped. Each tenderer is logged on the tender recording document together with (if time allows) the total of the bid. The date must be stamped immediately under the final bid to ensure that further bids cannot be added at a later date. Each panel member should sign the document next to the date stamp as official certification of each listed bid.

2.7.4 Any tenders which arrive in anything other than an envelope bearing the official label, or which arrive late are logged but discounted for the tender evaluation.

## **2.8 Evaluation of Tenders**

2.8.1 The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the process.

2.8.2 Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

2.8.3 Full records should be kept of all criteria used for evaluation of contracts over £25,000. A report should be prepared for the Finance & Human Resources Committee highlighting the relevant issues and recommending a decision. For contracts over £50,000 the decision and criteria should be reported to Finance & Human Resource Committee and the Trust Body.

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

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

2.8.6 As many as possible of the following factors should be used in making a commercial assessment of all tenders received.

- Delivery and installation cost.
- Set up costs.
- Maintenance costs.
- Spare/replacement part cost.
- Eventual disposal and replacement cost.
- Running/energy costs.
- Training costs.

- Refurbishment costs (associated with any building work).
- Labour costs (i.e. variations in costs of operating the equipment).
- An evaluation of the difference in cost and capability of adding to, at a later date, each system, equipment or software
- Checks to ensure that the selected supplier has the capability to supply and maintain the selected system effectively. References should be sought from other users of the supplier
- Breakdown of the stated cost of the equipment/service
- Appraisal of the environmental impact of the equipment service being offered. This appraisal could take into account; source of material of construction, energy usage, harmful emissions, working practices, materials used in maintenance or operation
- Health and safety issues
- Terms and conditions of contract offered ensuring that areas such as warranty, equipment performance or service level guarantees, payment terms, spares availability and delivery insurance are covered. Advice should be sought from both the Principal and Chief Financial Officer's agreement is given to any contractual terms and conditions.
- The Finance Department should be asked to obtain a credit check.

2.8.7 The examples given above cover the majority of aspects involved in making the purchasing decision and the decision where to place business should be based upon which offer represents best value for money taking into account as many factors as possible.

2.8.8 The School or section making the purchase is responsible for technical evaluation of tenders. Recommendations should be based on technical criteria only. Knowledge of price could influence the objectivity of the technical evaluation; this should take place separately from the commercial evaluation. It may be necessary to arrange supplier presentations to assist in the technical evaluation process.

2.8.9 Depending on the value of the contract, it may be necessary for the Academy to conduct a formal risk analysis and financial investment appraisal. Queries regarding this matter should be placed with the Chief Financial Officer.

## **2.9 Selection of the Preferred Supplier & The Contract**

2.9.1 Selection of Supplier. The selection of the preferred supplier is based on a careful examination of all technical and commercial criteria. The supplier selected should be the one which satisfies the most of the important criteria.

2.9.2 Post tender negotiation. Following selection of the winning tender it is permissible to enter into post tender negotiation with the preferred supplier only. This may cover any aspects of the prospective contract including price, delivery, payment terms, terms and conditions of contract. It is a minimum requirement that the Chief Financial Officer is involved in this process

- 2.9.3 Finalising the contract. After post tender negotiations are complete the terms and conditions must be scrutinised by the Chief Financial Officer. This may involve further negotiation with the supplier to ensure that terms and conditions provide adequate protection for the Academy on the purchase
- 2.9.4 Advance payments to suppliers. The Academy actively discourages any payment to suppliers prior to receipt and verification of goods. Should this not be possible, formal checks must be carried out by the Finance Department on the credit status of the supplier. All costs relating to credit checks will be charged to the school or section making the purchase. Approval of the transaction will only be given if a satisfactory status report is obtained.
- 2.9.5 Before an order can be placed the findings of the tender should be notified to the Finance & Human Resources Committee. Any contract which requires signature must also be approved by the Principal or Vice Principal in the absence of the Principal and signed by the Chief Financial Officer. Only after both processes are complete can a purchase order be raised.
- 2.9.6 De-briefing unsuccessful Suppliers. The project leader must write to all unsuccessful tenderers advising them of the award of contract and thanking them for their participation. If suppliers request more information on the reasons for their failure the project leader must be prepared to offer some information without revealing the price or the name of the supplier to whom the contract has been awarded.
- 2.9.7 Re-tendering. It is permissible to re-tender a contract or prospective purchase if it was impossible to select a winning tenderer from the offers received. Only the leading suppliers should be selected for this process and each of those selected should be given equal treatment. There must be no advantage given to any supplier requested to re-tender although it is permissible to advise the suppliers of the general reasons for the re-tender. It is also not permissible to re-tender if there is a clear winner purely in the hope of driving down a price. All processes carried out in tendering must be followed in the case of re-tendering.

### **3. Public Procurement**

#### **3.1 Introduction**

- 3.1.1 New procurement transactions must be advertised on the “Find A Tender” service after the end of the transition period. This replaces Tenders Electronic Daily (TED) in the UK public procurement process.

Cabinet Office has published Procurement Policy Note 08/20 – introduction of Find a Tender, setting out the changes to procurement which came into effect at the end of the Transition Period.

The procurement policy note informs us of the steps needed to ensure legal obligation under the Regulations to publish certain notes in relation to public procurement continue to be met. This includes the circumstances where FTS or the Official Journal of the European Union (OJEU/TED) must be used, how and how to access FTS.

## 3.2 Scope

### 3.2.1 New procurements commenced after the end of the Transaction Period must be advertised on Find A Tender.

For now, the latest UE thresholds still apply. All goods and services where the resultant contract is expected to be for a value of £189,330 or over must be advertised on Find A Tender. Any future changes will be determined by the World Trade Organisation.

The process must be made through the Chief Financial Officer who will be able to provide guidance and assistance with the process.

## 4. Procurement - Best Practice Checklist

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

- **roles and responsibilities** of those involved in procurement (eg Trust Body, Principal, Chief Financial Officer, other senior managers and the central finance office);
- **delegated authority levels**, in particular setting out the procedures to be followed for purchases above specified values, to ensure sufficient levels of oversight by the Trust Body;
- **arrangements to ensure segregation of duties**;
- **how purchases are recorded** (papers records and computer records (eg accounting system arrangements)).

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

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

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

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

### 4.4 **All key documents should be retained together by the Academy.** This includes:

- invitations to tender;
- tenders received from bidders;

- quotes obtained for smaller purchases;
- papers/minutes documenting the procurement decision;
- signed copies of the contracts awarded;
- invoices.

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

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

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

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

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

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

4.7 Opportunities should be taken for **bulk purchase discounts**, for example by combining similar orders.

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





## **ANNEX 5 - PRINCIPLE ACCOUNTING POLICY**

### **Statement of accounting policies**

The following accounting policies will be applied consistently in dealing with items which are considered material in relation to the financial statements.

### **Basis of preparation**

These financial statements will be prepared in accordance with the statement of recommended practice from the Academies Financial Handbook. They conform to guidance published by the DfE in the Academy Trust Handbook and the Companies Act 2006.

### **Basis of accounting**

The financial statements will be prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Academy. All financial statements are made up to 31 August.

### **Recognition of income**

The recurrent grants from the EFA and LA represent the funding allocations attributable to the current financial year and are credited direct to the income and expenditure account. Recurrent grants are recognised in line with planned activity. Any under-achievement against this planned activity is adjusted in-year and reflected in the level of recurrent grant recognised in the income and expenditure account.

All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned.

### **Post-retirement Benefit**

Retirement benefits for employees of the Academy are provided by the Teacher's Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes which are externally funded and contracted out of the State Earnings-Related Pension Scheme (SERPS).

Contributions to the TPS scheme are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of

quinquennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The assets of the LGPS are measured using closing market values. LGPS liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

### **Tangible fixed assets**

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows: -

- Long leasehold buildings 50 Years
- Refurbishments/Leasehold Improvements 10 Years
- ICT Equipment 4 Years
- Motor Vehicles 4 Years

#### **(a) Land and buildings**

The Academy currently lease the Land and buildings from the Local Authority (LA).

#### **Assets under construction**

Assets in the course of construction are included at cost. Depreciation on these assets is not charge until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairments losses are recognised in the Statement of Financial Activities.

#### **Stock**

Unsold uniforms are value at the net realisable value.

#### **(a) Subsequent expenditure on existing fixed assets**

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

- Market value of the fixed asset has subsequently improved
- Asset capacity increases
- Substantial improvement in the quality of output or reduction in operating costs

- Significant extension of the asset's life beyond that conferred by repairs and maintenance.

## **(b) Equipment**

Equipment costing less than £1,000 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost. All other equipment is depreciated over its useful economic life of four years.

Where equipment is acquired with the aid of specific grants, it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a creditors grant account and released to the income and expenditure account over the expected useful life of the related equipment.

## **Leased assets**

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

Leasing agreements which transfer to the Academy substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright and are capitalised at their fair value at the inception of the lease and depreciated over the shorter of the lease term or the useful economic lives of equivalently owned assets. The capital element outstanding is shown as obligations under finance leases.

The finance charges are allocated over the period of the lease in proportion to the capital element outstanding. Where finance lease payments are funded in full from funding council capital equipment grants, the associated assets are designated as grant-funded assets.

## **Taxation**

The Academy is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 as amended by the Charities Act 2006, and as such is a charity within the meaning section 506(1) of the Income and Corporation Taxes Act 1988 (ICTA 1988). Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of ICTA 1988 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The Academy reclaims the VAT from HMRC by completing the HMRC 126 VAT form on a monthly basis.



## **ANNEX 6 - BURSARY POLICY**

### **1 What is the Bursary fund?**

1.1 The 16-19 Bursary Fund provides financial support to help students overcome the specific financial barriers to participation they face so they can remain in education. The Funds are provided by the Education and Skills Funding Agency (ESFA).

### **2 Introduction**

2.1 The 16 – 19 Bursary Fund has two elements:

- (1) A Vulnerable Bursary – up to £1,200 a year for young people in one of the defined vulnerable groups.
  
- 2) Discretionary Bursaries – targeted towards those young people who face financial barriers to participation; such as the costs of transport, meals, books and equipment. Conditions for receiving the Bursary awards will be subject to student attendance and student engagement with their studies.

The academy is responsible for managing both types of bursary, this policy governs how those funds are allocated and distributed.

### **3 Who does this policy apply to?**

3.1 The Principal and Trust Body have overall responsibility for ensuring the Sixth Form bursary fund is used in accordance with the ESFA guidelines. The Director of Sixth Form has the responsibility of ensuring this on a day to day basis.

### **4 Who is responsible for carrying out this policy?**

4.1 The implementation of this policy will be monitored by the Chief Financial Officer at The Sutton Academy and remain under constant review.

### **5 Policy**

#### **5.1 Eligibility**

To be eligible to receive a 16 – 19 Bursary in the 2023/24 academic year, the young person must be,

- Aged over 16 and under 19 on 31 August 2022.
- Where a young person turns 19 during their programme of study, they can continue to be supported to the end of the academic year in which they turn 19, or the end of the programme of study, whichever is sooner. Be aged 19 or over on 31 August 2023 and have an Education, Health and Care plan (EHCP).
- Be aged 19 or over on 31 August 2023 and on a continuing programme of student they began aged 16-18
- Students must meet the residency criteria in the ESFA document funding regulations for post-16 provision 2023-24

## 5.2 Vulnerable Bursary

Students can apply if they meet one of the following criteria:

- Children in Care;
- Care Leavers;
- Receiving Income Support (IS), or Universal Credit (UC) because they are financially supporting themselves and someone who is dependent on them living with them, such as a child or a partner.
- Receiving Disability Living Allowance (DLA) or Personal Independence Payments (PIP) in their own right as well as Employment and Support Allowance (ESA) or UC in their own right.

### Defining in care and care leavers

The 16 to 19 Bursary Fund refines 'in care' as children looked after by a local authority on a voluntary basis (s20 Childrens Act 1989 (or under a care order (s31 Childrens Act 1989) . Section 22 of the Childrens Act 1989 defines the term 'looked after child'

A 'care leaver' is defined as:

- A young person aged 16 and 17 who was previously looked after for a period of 13 weeks consecutively (or periods amounting to 13 weeks), which began after the age of 14 and ended after the age of 16 or
- A young person aged 18 or above who was looked after prior to becoming 18 for a period of 13 weeks consecutively (or periods amounting to 13 weeks), which began after the age of 14 and ended after the age of 16

## 5.3 Discretionary Bursary – financial support is decided on an individual basis

Eligible students may get a contribution to the costs of:

- Transport to and from school;
- Meals;
- Books;
- Essential course equipment or clothing;
- Field Trips and visits related to courses;
- Exam retakes/UCAS fees;
- Travel expenses for Higher Educational visits (maximum of 3 per term).
- Other reasonable miscellaneous costs incurred attending school

### **Students can apply for the Discretionary Bursary if:**

Their parents have a gross annual income below £25,000 in the last tax year (including benefits) or in receipt of free school meals in year 11.

Parents with a gross annual income above £25,000 who choose to apply for financial support will be considered on an individual basis but will be considered low priority.

## **5.4 Evidence**

### **For the Vulnerable Bursary this might include:**

Allocation of Bursary funds will be subject to audit, the academy must therefore obtain proof that students meet the criteria for the bursary for vulnerable groups in full. Appropriate evidence will be requested from each student and copies retained, for example:

- for students who are in care or a care leaver, written confirmation of their current or previous looked-after status from the relevant local authority – this is the local authority that looks after them or provides their leaving care services. The evidence could be a letter or an email but must be clearly from the local authority.
- for students in receipt of UC or IS, a copy of their UC or IS award notice. This must clearly state that the claim is in the students name/confirm they are entitled to the benefits in their own right. The evidence must not state any conditions that prevent them from participating in further education or training.
- for students receiving UC/ESA and DLA and PIP, a copy of their UC claim form from DWP. Evidence of receipt of DLA or PIP must also be provided.

### **For the Discretionary Bursary this should include:**

Evidence of any benefits/allowances/grants and/or household income for example:

- Income Support
- Child Tax Credit
- Working Tax Credit
- Income based Job Seekers Allowance
- Employment Support Allowance (Income Related)
- Guaranteed Element of State Pension Credit
- P60
- Evidence of self-employment
- Audited accounts
- Official tax return

## **5.5 How to Apply**

- Students should complete the Academy Bursary Fund Application Form.
- Application Forms are available from the 6th Form Office.
- Students should re-apply each academic year.
- Applications must be returned to the 6<sup>th</sup> Form Office by October half-term each year.
- Applications after this date will be considered if funds are available or if circumstances deteriorate during the academic year.

- Students will need to provide appropriate evidence to support their application.

## 5.6 Organisation and Appeals

- All applications will be considered and assessed by the Assistant Principal for Key Stage 5 and the Vice Principal based on the criteria outlined above.
- Authorisation of the application and award level is signed off by the Head of 6<sup>th</sup> Form.
- The student will be notified of the decision in writing.
- Appeals against eligibility for financial support and for non-payments should be put in writing and addressed to the Chair of Trustees.
- The decision rests with the Trustees.
- There is no further right of appeal.

## 5.7 Payment

- Payment will be made 'in kind' i.e. travel passes/meals/course materials, or via BACS or cheque in certain circumstances.
- Payment will be made on production of receipts/invoices/official estimates where required.
- Payment will be made subject to full attendance; attendance will be regularly reviewed by the Director of Sixth Form/Assistant Director of Sixth Form. Should attendance fall under 95% payment will only be made in exceptional circumstances agreed by the Director of Sixth Form. Failure to meet the Academy standards of behaviour, effort and completion of work may result in the loss of financial support.

## 6 Reporting

- 6.1 A report of bursary funding and how it has been used to be presented to the Trustees regularly.

## 7 Policy review

- 7.1 This policy will be reviewed annually by the Academy Leadership team as part of the Academy annual review process.
- 7.2 Appendix 1 Bursary Application form



# 16 – 19 BURSARY SCHEME

## APPLICATION FORM

Please read The Sutton Academy 16-19 Bursary Fund Policy 2023-2024 before completing this form.

### 1.1 Your Personal Details

|                      |   |   |   |   |   |                          |             |
|----------------------|---|---|---|---|---|--------------------------|-------------|
| Surname              |   |   |   |   |   |                          |             |
| Forename             |   |   |   |   |   |                          |             |
| Address              |   |   |   |   |   |                          |             |
|                      |   |   |   |   |   |                          |             |
| Postcode             |   |   |   |   |   |                          |             |
| School email address |   |   |   |   |   | @thesuttonacademy.org.uk |             |
| Mobile No.           |   |   |   |   |   |                          |             |
| Date of Birth        | D | D | M | M | Y | Y                        | Form Group: |

### 1.2 Your Bank or Building Society Account Details

You **must** provide evidence in the form of your current Debit Card or attach an account statement. The sixth pastoral team will photocopy the details and return the original documents. The photocopies will be held in a secure location.

|   |  |  |   |  |  |   |  |  |
|---|--|--|---|--|--|---|--|--|
| Full name of Account Holder<br><i>(This should be as it appears on your cash or debit card, or statement)</i> |  |  |   |  |  |   |  |  |
| Name of Bank/Building Society   |  |  |   |  |  |   |  |  |
| Sort Code   |  |  | - |  |  | - |  |  |
| Account Number  |  |  |   |  |  |   |  |  |
| Office Use Only (Evidence checked)  |  |  |   |  |  |   |  |  |



Your account number may not be the same as the cash or debit card number; you can find it on a bank or building society statement. Most account numbers are 8 digits long. If you are unsure, your bank or building society can advise you.

## 2.1 Which bursary are you applying for?

Please complete either Part A for Enhanced Bursary OR Part B for Discretionary Bursary:

### Part A: Enhanced Bursary

|  | Tick | Supporting evidence required                            | Office Use Only<br>(Evidence checked) |
|--|------|---|---------------------------------------|
| I am a young person in care or care leaver   |      | Supporting letter from your key worker or social worker |                                       |
| I (the student) am in receipt of Income Support or Universal Credit  |      | Benefits paperwork dated within the last 6 weeks        |                                       |
| I am in receipt of both Disability Living Allowance (or Personal Independence Payments) and Employment Support Allowance (ESA) (or Universal Credit as a replacement to ESA) |      | Benefits paperwork dated within the last 6 weeks        |                                       |
| <b>PLEASE GO TO 3.1</b>  |      |   |                                       |

## Part B: Discretionary Bursary

|  | Tick | Supporting evidence required                            | Office Use Only<br>(Evidence checked) |
|--|------|---|---------------------------------------|
| I am in receipt of Free School Meals or was in receipt of Free School Meals in Year 11 |      | <b>GO TO PART B.2 BELOW</b>                             |                                       |
| I am a recognised young carer  |      | Supporting letter from your key worker or social worker |                                       |
| My total household income is less than £25,000   |      | <b>GO TO PART B.1 BELOW</b>                             |                                       |

### Part B.1: Household Income less than £25,000

| DOCUMENTARY EVIDENCE FOR INCOME |   |   |   |                                       |
|---------------------------------|---|---|---|---------------------------------------|
| RECEIVED YES/NO                 | TYPE OF INCOME AND EVIDENCE REQUIRED  | PARENT/CARER 1 AMOUNT RECEIVED (£) PER YEAR | PARENT/CARER 2 AMOUNT RECEIVED (£) PER YEAR | Office Use Only<br>(Evidence checked) |
|                                 | Universal Credit (please provide the three most recent statements)                        |   |   |                                       |
|                                 | Working Tax Credit (ALL pages of original Tax Credit Award (Notice for the last tax year) |   |   |                                       |
|                                 | Child Tax Credit (ALL pages of original Tax Credit Award (Notice for the last tax year)   |   |   |                                       |
|                                 | Receipt of any other benefit (Notice for the last tax year)                               |   |   |                                       |
|                                 | Employment (P60), or Self-Employed Tax Return, for the last tax year                      |   |   |                                       |
|                                 | Support under Part VI of the Immigration and Asylum Act 1999                              |   |   |                                       |
|                                 | <b>TOTAL GROSS HOUSEHOLD INCOME</b>   | £   | £   |                                       |

You must provide **ALL** of the above documents which apply. Please provide original documents. **ALL pages** of these documents must be provided. All evidence will be photocopied and dealt with in the strictest of confidence. *Please do not send any original documentation in the post. Students should bring documents directly to the Sixth Form Pastoral team who will photocopy and return documentation.* We may ask for further evidence depending on individual circumstances. It is a serious offence to give false information. We have a duty of care to protect the public funds we control. We may use the information you have provided on the form to detect and prevent fraud. We will also share this information with other organisations which control public funds. Your application will be treated confidentiality and other students will not be aware that you have applied/are receiving financial assistance.

Parents with a gross annual income above £25,000 who choose to apply for financial support will be considered on an individual basis but will be considered low priority.

Exceptional circumstances

Subject to funding availability

Please specify circumstances for application if household income is above £25,000

Exceptional circumstances/ additional costs - Any young person meeting general eligibility requirements and facing financial hardship due to an exceptional reason or circumstance, or who needs funds to cover an additional cost connected to their studies, can apply for funds by completing an application form requesting additional support available from the Director of Sixth Form.

## Part B.2: Financial Assistance for Discretionary Bursary

The amount of financial assistance you may receive is dependent upon your personal circumstances and is intended to help you with the costs of overcoming any barriers you may have when attending learning. Please indicate below the types of expense for which you need financial assistance. Your application will not be considered if you do not complete this section.

|  | Breakdown of costs required | Estimated Cost (£) |
|--|-----------------------------|--------------------|
| Transport requirements – daily travel, university visits, etc. |                             |                    |
| Books & Equipment  |                             |                    |
| Educational Trips  |                             |                    |
| Other – please state   |                             |                    |
| <b>PLEASE GO TO 3.1</b>  |                             |                    |

### 3.1 Student Declaration

- I confirm that the information I have given on this form is correct and complete to the best of my knowledge
- I confirm that I have submitted supporting evidence/documentation in accordance with the guide notes

|            |           |   |   |   |   |   |   |
|------------|-----------|---|---|---|---|---|---|
| Surname:   | Forename: |   |   |   |   |   |   |
| Signature: | Date:     | D | D | M | M | Y | Y |

#### Parent/Carer declaration

- I confirm that the information I have given on this form is correct and complete to the best of my knowledge

|          |           |
|----------|-----------|
| Surname: | Forename: |
|----------|-----------|

|            |       |   |   |   |   |   |   |
|------------|-------|---|---|---|---|---|---|
| Signature: | Date: | D | D | M | M | Y | Y |
|------------|-------|---|---|---|---|---|---|

**Sixth Form Office use only**

|   |   |   |   |   |   |   |                           |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---------------------------|---|---|---|---|---|---|
| Date application received   | D   | D | M | M | Y | Y | Date application reviewed | D | D | M | M | Y | Y |
| Supporting documentation provided, photocopied and returned: Yes / No |   |   |   |   |   |   |                           | D | D | M | M | Y | Y |
| Type of Bursary approved  | <b>Enhanced:</b> _____ <b>Discretionary</b> _____ |   |   |   |   |   |                           |   |   |   |   |   |   |
| Signature Director Sixth Form   |   |   |   |   |   |   |                           |   |   |   |   |   |   |

| <b>Attendance Monitoring</b> |                     |   |
|------------------------------|---------------------|---|
|                              | <b>% Attendance</b> | <b>Special circumstances (if sub 95% attendance to lessons)</b> |
| Half term 1                  |                     |   |
| Half term 2                  |                     |   |
| Half term 3                  |                     |   |
| Half term 4                  |                     |   |
| Half term 5                  |                     |   |
| Half term 6                  |                     |   |



## **ANNEX 7 – GIFTS AND HOSPITALITY POLICY**

### **Guidelines for the receipt of Hospitality and Gifts for Budget Holders, other Members of Staff and Trustees**

#### **Introduction**

The acceptance of gifts or hospitality, even of a modest nature, can cause suspicion and loss of confidence in the integrity of the employee. It is contrary to the standards of conduct expected from employees within the public service to solicit any gift or consideration as an inducement or reward, or, as employees of the Academy, to accept any fee or reward other than salary, unless formally approved. This policy applies to all employees of the Academy. It also applies to members of the Trust Board.

#### **Gifts, Benefactions and Donations**

No individual member of staff or Trustee should accept a gift of any kind personally, for work undertaken on behalf of The Sutton Academy, from a third party. Gifts can be accepted on behalf of The Sutton Academy but must be declared, in writing, to the Principal through the Clerk to the Trust Board. However, it is acknowledged that small gifts such as pens, diaries or calendars, providing they are valued at less than £20, can be ignored for the purposes of declaration.

#### **Hospitality**

It is not always possible or desirable to reject offers of hospitality, for example attending a function in an official capacity, or having a working lunch. Hospitality in these circumstances is defined as any seminar, conference, event, lunch/dinner or other form of entertainment provided free of charge by a body external to the Academy. Hospitality should only be accepted when it is reasonably incidental and appropriate to the circumstances. It is acknowledged that staff at senior levels in the organisation, may from time to time be offered hospitality in connection with their responsibilities as Senior Managers in the Academy. The following rules will apply in determining the acceptability and extent of hospitality:

- Hospitality should be accepted only if directly relevant to the Manager's responsibilities.
  - Hospitality must not be accepted if this is seen as compromising the Manager's position in connection with contractual commitments or negotiations arising therefrom.
  - Hospitality may be accepted if it is considered beneficial to the Academy (e.g. projection of its role in a positive light or in connection with its role within the Community and with its partner organisations).
- If in doubt about the propriety of accepting hospitality the employee must consult with a member

of the Senior Leadership Team.

- Hospitality must, if accepted, be reasonable in the light of its extent and nature and must not put in doubt the Manager's integrity and impartiality.
- A register of all hospitality and gifts must be maintained by the Clerk to the Trust Board and be available for inspection by audit as and when required. This includes all staff and Members of the Trust Board.
- The acceptance of hospitality/gifts must accord with 'Financial Regulations'.

### **Procedure for Registering Gifts or Hospitality**

Hospitality / gifts that are accepted by an employee / trustee within these guidelines, must be registered by that employee / trustee with immediate effect. Should an employee be in any doubt about the propriety of accepting a gift or offer of hospitality, he/she should consult his/her line manager and a member of the Senior Leadership Team. If a trustee is in doubt, he/she should consult with the Chair of Trustees or Clerk. If this is not possible at the time, the facts should be reported immediately afterwards. Acceptance of a gift or hospitality which is outside of these guidelines, and/or failure by an employee to notify the line manager may be dealt with under the disciplinary procedure. A copy of the form to be used to register either a gift or the receipt of hospitality is attached.

If the Principal is in any doubt about the propriety of accepting a gift or offer of hospitality, he/she should consult the Chair of the Trust Board.

### **Trust Board Members**

Trust Board Members are responsible for approving major Academy contracts and it is therefore possible that they may come into contact with suppliers. As such, it is considered appropriate to apply this policy to Members of the Board.

### **Buying/Selling of Personal Goods**

Staff must not become involved, in any way, in the buying from or selling of personal goods for a client. This can be open to misinterpretation.

- **Further Advice**

Further advice on all the above is available from the Trust Board Clerk.



**RECEIPT OF GIFTS AND HOSPITALITY RECEIVED FORM**

Recipient of Gift/Hospitality: \_\_\_\_\_

Service area: \_\_\_\_\_

Gift/Hospitality from: \_\_\_\_\_

Date Gift/Hospitality Received: \_\_\_\_\_

Cost of Gift/Hospitality (or estimation): £ \_\_\_\_\_

Details of Gift/Hospitality: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

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(Office use only)

**AUTHORISED:**

Paul Willerton \_\_\_\_\_  
Principal

Date: \_\_\_\_\_

or

Peter Winter  
Chair of Trustees \_\_\_\_\_

Date: \_\_\_\_\_



## **ANNEX 8 – INVESTMENT POLICY**

### **Introduction**

Treasury Managed is defined as: -

- The management of the Trust's cash flows, banking and investment transactions
- The management of the risks associated with these activities
- The pursuit of optimal returns consistent with those risks

The objectives of this policy are to ensure that the Trust: -

- Maintains sufficient cash balances in its current account to meet its day to day commitments
- Invest surplus cash to earn an acceptable rate of return without undue risk
- Complies with the Academy Trust Handbook and ensures that security of funds takes precedence over revenue maximization.
- Considers spreading risk between different institutions to reduce risk
- Maintain sufficient reserves to mitigate against future risks, whilst not holding unnecessarily high level of reserves

There are a number of constraints placed upon academies in terms of fund management. One of these constraints is the inability to borrow funds. This constraint represents a key risk to the Trust in relation to financial planning and monitoring. One of the ways in which the Trust mitigates this risk is through the effective management of reserves, which provide alternative temporary funding streams should there be a delay in the grant receipts or a sudden unforeseen increase in expenditure

### **Responsibility**

The Accounting Officer and the Board of Trustees have overall responsibility for the security and management of funds. The day to day management of the treasury function is controlled by the CFO, who will liaise the Accounting Officer and Board of Trustees in relation to investment decisions.

### **Cash Flow Forecasts**

The Chief Financial Officer will prepare a 12 month rolling cash flow. A summary cash flow will be shared with Trustees as part of the management accounts suite of reports.

### **Borrowing**

The Trust is not permitted to borrow without permission of the Secretary of State.

### **Deposits**

The Trust will operate an interest-bearing account with a bank approved by the Board of Trustees and maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments.

Monies surplus to the working requirements shall be invested in low risk deposit accounts or term deposit in regulated institutions.

The Academy will not take out any long-term deposits until reliable cash flow pattern has been established, monies will only be paid into term deposits not exceeding six months.

The Academy will only deposit funds with bodies protected by the Financial Services Compensation Scheme.

### **Limits and Authority**

The Board of Trustees has the power to:

- Give prior approval to the opening of new bank current accounts
- Give prior approval to any bank deposit with a maturity date exceeding six months

Cash deposits over £85,000 - Only banks rated at A+ or above will be used for investment purposes.  
Cash deposits £85,000 and under – banks rated A, bb+,bbb-, bbb may be used if the institution is protected by the Financial Services Compensation Scheme

The Board of Trustees delegates authority to the CFO to place deposits in the trust's name at approved institutions, subject to the agreed limits within this policy. No deposits will be placed without prior agreement with the Accounting Officer or any other signatory.

### **Register of Deposits**

The CFO will maintain a register of all deposits/investments held which will record details of institution deposit placed, date, amount, maturity and rate of interest

### **Monitoring, evaluation and review**

The CFO will review interest rates and compare these with investment opportunities through other institutions and share with Board of Trustees.