



Growth Academy Trust

Financial Management Policy

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Contents

1	Introduction	Page 1
2	Principals	Page 1
3	Organisation & Responsibilities	Page 2
4	Financial Planning	Page 6
5	Annual Budget	Page 6
6	Budget Management	Page 7
7	Accounting Systems	Page 8
8	Payroll	Page 8
9	Value for Money Procedures	Page 10
10	Forms of Tendering	Page 11
11	Purchasing	Page 13
12	Payment of Accounts	Page 14
13	Other Purchases	Page 15
14	Income	Page 15
15	Cash Management	Page 17
16	VAT	Page 18
17	Fixed Assets	Page 19
18	Inventory Records	Page 19
19	Computer Systems	Page 19
20	Reporting to ESFA	Page 19

Appendix 1: Limits of Delegation and Authorised Signatories

Appendix 2

1. Introduction

The purpose of this policy is to ensure that **Growth Academy Trust** (hereafter referred to as the MAT) maintains and develops systems of financial control, which conform to the requirements of both propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of each Academy's Funding Agreement with the Department of Education.

All Academies in the MAT must comply with the principles of financial control outlined in the academies guidance published by the ESFA. Including reserved places for parents within its governance structure (ATH 1.1) and ensuring correct suitability checks for existing and future members (ATH1.4) plus safeguarding (ATH 1.15) health and safety (ATH1.17) and estates management (ATH 1.20).

This policy expands on that guidance and forms the manual detailing information on the MAT's accounting procedures and systems. It should be read by all staff involved with financial systems and accountability.

2. Principles

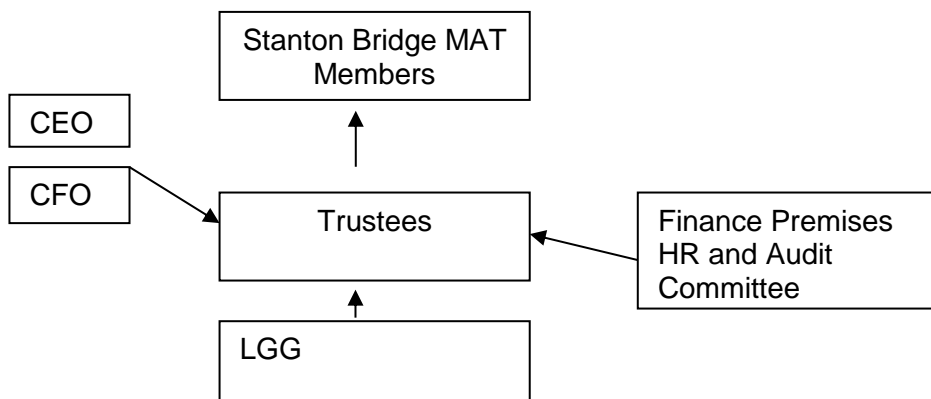
Each Local Governing Body will manage their affairs in accordance with the high standards detailed in 'Guidance on Codes of Practice for Board Members of Public Bodies' and in line with the seven principles of public life: (ATH sl.1)

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

3. Organisation and Responsibilities.

The Board of Directors have defined the responsibilities of each person involved in the administration of the Academies' finances to avoid the duplication or omission of functions and provide a framework of accountability for governors and staff.

3.1 Reporting Structure



3.2 Local Governing Bodies

Each Local Governing Body has overall responsibility for administration of their Academy's finances, (ATH1.21,1.22, and ATH 2.1) subject to relevant delegated authority limits of the ESFA, requiring approval (ATH 5.1 schedule ATH5.6+) including novel, contentious and repercussive transactions (ATH5.5). The main financial responsibilities of Local Governing Bodies are prescribed in the Funding Agreement between the Academy and the ESFA.

The main responsibilities include:

- Ensure the grant from the ESFA and other Restricted funding is used for the purposes intended (ATH 2.27)
- To maintain the trust as a going concern (ATH 1.14, ATH 2.5 and ATH 2.8)
- Approval of the annual balanced budget and any material changes (ATH2.10)
- Ensure a Scheme of Delegation is in place(ATH 2.4)
- Ensure assets are managed (ATH5.23)
- Ensure accurate accounting records are maintained
- Ensure the budget monitoring statements are a true and accurate record on income and expenditure (ATH2.11)
- Approval of the Annual Statutory Account (ATH4.1-ATH 4.4)

3.3 The trust must notify ESFA of changes to the governance information within 14 calendar days of the change. Notification must be through the governance section of DfE's Get information about schools (GIAS) register, accessed via DfE Sign-in. (AFH2.54,ATH 2.55) All fields specified in GIAS for the individuals must be completed and the

trust must ensure its record in GIAS for the individuals is kept up to date.

3.4 Finance HR Asset management and Audit Committee

The main financial responsibilities of the Finance Committee of the MAT are detailed in their Terms of Reference, these include:

- Initial review and recommendation to the Local Governing Body of the annual budget; (ATH 2.9)
- Regular monitoring of actual expenditure and income against budget; (ATH2.18)
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the ESFA guidance issued to academies; (ATH 4.1-4.4)
- Authorising the award of contracts up to the amount stated in the Scheme of Delegation and Limits of Delegation attached at Appendix I; (ATH 2.28-ATH 2.29)
- To review the financial policies of their Academy and where necessary make recommendations to the Local Governing Body (ATH 2.18 ATH 2.22 and ATH2.23.)
- Selection of Key performance indicators (KPI's) and to measure performance against them. (ATH2.22)

The main responsibilities of the Audit Committee are to: (ATH 3.12)

- Advise the Trust Board and Accounting Officer on the adequacy and effectiveness of the AT's governance, risk management, internal control and vfm systems and frameworks. An annual report will be produced by the Audit Committee in this regard.(ATH3.1)
- Advise the Trust Board on the appointment, re-appointment, dismissal and remuneration of the external and regularity auditor.
- Advise the Trust Board on the need for, and then, where appropriate, the appointment, re-appointment, dismissal and remuneration of, an internal auditor or other assurance provider to enable the Board to sign the corporate governance statement in the annual accounts.(ATH 4.5)
- Advise the Trust Board on an appropriate programme of work to be delivered by independent assurance providers (external auditors and audit officer). This programme of work to be derived from the Audit Committee's regard of the key risks faced by the AT, the assurance framework in place and its duty to report to the Trust Board.(ATH3.2 and ATH3.3)
- Review the external auditor's annual planning document and approve the planned audit approach.
- Receive reports (annual reports, management letters etc) from the external auditor and other bodies, for example the ESFA and NAO, and consider any issues raised, the associated management response and action plans. Where deemed appropriate, reports should be referred to the Board or other committee for information and action. (ATH4.16 ATH 4.17)
- Reviewing the reports of the Responsible Officer (ATH3.17) on the effectiveness of the financial procedures and controls. These reports must also be reported to the governing body.
- Regularly monitor outstanding audit recommendations from whatever source and ensure any delays to implementation dates are reasonable, especially risk (ATH3.2-ATH3.4)
- Review the AT's fraud response plan and ensure that all allegations of fraud or irregularity are managed and investigated and reported appropriately. (ATH 6.11-AFH 6.15)
- Consider any additional services delivered by the external auditor or other assurance provider and ensure appropriate independence is maintained.
- Ensure appropriate cooperation and coordination of the work of the external auditor and Audit officer.

- Manage risks, including contingency and business continuity planning and maintain the risk register. (AFH 2.38 - ATH 2.42)
- Must be aware of cyber crime and put into place proportionate measures, taking appropriate action where required (ATH6.16) obtaining required permissions from the ESFA (ATH 6.17)

3.5 The Trust's Chief Executive Officer (ATHI.33-ATHI.44)

The CEO has overall executive responsibility for the Academies under The Trust works closely with the Accounting Officer and should be an employee of the trust.

The Chief Executive Officer (CEO) has overall executive responsibility for the Academies under the MAT and is the named Accounting Officer for each Academy.

The funding agreements identify the Academies Director as the Accounting Officer who is personally responsible - to each Local Governing Body for:

- Ensuring regularity and propriety
- Prudent and economic administration
- Avoidance of waste and extravagance
- Efficient and effective use of available resources; and
- The day to day organisation, staffing and management of the MAT

3.6 The Accounting Officer (ATHI.42-ATHI.48) has the duty to take action if any Local Governing Body or Chairman is contemplating a course of action, which he or she considers an infringement of propriety or regularity. Objections should be put in writing to the Local Governing Body and details should be sent to the Permanent Secretary and the academy's external auditors.

The ESFA sends letters to the Accounting Officer, which covers issues pertinent to their role and the ESFA's findings this letter must be shared with members, trustees CFO and other members of the senior leadership team. It must be discussed at the board of trustees and clearly documented in the board minutes.

3.7 Audit Officer (internal security ATH3.17)

Checks and balances need to be put in place to ensure that the financial management arrangements within the MAT are monitored. The ESFA requires an Audit Officer (AO) to be appointed to fulfill this role. (ATH 3.15- ATH3.21)

The Audit Officer is appointed by the MAT and is intended to provide an independent oversight of the Academy's financial affairs. The main duties of the AO are to provide the Governing Body within on-going independent assurance that:

- The financial responsibilities of the Governing Body are being properly discharged;
- Resources are being managed in an efficient; economic and effective manner;
- Sound systems of internal financial control are being maintained; and
- Financial considerations are fully taken into account in reaching decisions.
- Provide an annual summary

The MAT has appointed Nigel Smith from DRB Schools and Academies Services Limited to act as an external body to independently undertake the duties of the Audit Officer across the MAT. The auditor will carry out financial reviews in order to provide each governing body and indirectly the ESFA with the required assurance. These reviews will be undertaken termly. The AO will undertake the checks and balances in line with recommended practice and any checks that the academy specifically requires

General areas for review will cover the following:

- Review that bank reconciliations have been carried out each month
- Review of monthly payroll to ensure that any changes have been appropriately authorised and agreed (refer to Finance, Personnel committee and SLT minutes)
- Check sample orders to delivery notes and invoices to ensure that the documentation is complete and has been appropriately checked and authorised.
- Check of sample payments back to invoices, orders and delivery notes to confirm they are bona fide purchases.
- Review a sample of expense claims to ensure the appropriate documentation to support the claim and that the claim is appropriately authorised.
- Review returns to ESFA to ensure the information supplied is consistent with the underlying records and internal management reports.
- Carry out spot checks of petty cash balances and supporting vouchers
- Review all major contracts and ensure formal tender procedures exist and are being followed.

The AO will produce a full report after each visit to the relevant Finance Committee and these will be reported back to the Local Governing Body.

3.7 Front Office Admin Staff

The Front Office staff work in close collaboration with the SBM

The main responsibilities include

- Day to day financial transactions
- Cash collection
- Weekly banking
- Order and invoice processing

3.8 Other Staff

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 conformity with the requirements of the MAT's financial procedures.

3.9 Register of Business Interests

It is vital that governors and staff act, and are seen to act, impartially. All members of each governing body are therefore

required to complete a declaration of business interests. All staff are also required to complete declaration. (ATH 5.45-ATH 5.48)

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

The MAT must regard the principles in related party transactions and their reporting to the ESFA including maintaining a register of interests (ATH5.33- ATH5.48)

Academies must pay no more than 'cost' for goods or services provided to it by persons with an interest in the MAT, ('services' do not include services provided under a contract of employment). (ATH 5.49 subject to section ATH5.54-5.59)

The existence of a register of business interests does not of course detract from the duties of the Governors and staff to declare interests whenever they are relevant to matters being discussed by the Governors or a Committee. Where an interest has been declared, Governors and staff should not attend that part of the meeting. It is the role of the SBM & Clerk to the Governors to ensure the Register of Business Interests are up to date.

4 Financial Planning (ATH2.8)

The SBM will prepare both medium and short-term financial plans for the MAT and each Academy within it. These plans are prepared to inform the MAT's strategic development planning processes for the next 3 years.

Each Academy's Strategic Plan identifies the development plan priorities over the medium term and the expected level of resources available. Each Academy's Annual Improvement Plan provides the framework for the annual budget. The Annual budget is a detailed statement of the expected resources available to the Academy and the planned use of those resources during the year

5 Annual Budget

The SBM, in liaison with their Head Teacher is responsible for the preparation and obtaining approval for the annual budget from each Finance Committee. Each Local Governing Body must approve the budget each year.

The approved budget must be submitted to the ESFA by the published timetable each year. (ATH 4.4). The SBM is responsible for establishing a timetable which allows sufficient time for the approval process and ensures the submission date published by the ESFA is met.

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

The budget planning process will incorporate the following elements:

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

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

Each draft budget should be presented to the Head Teacher, the Finance Committee and Local Governing Body of each Academy together with a supporting report for approval. Once the budget is agreed this should be communicated to all responsible budget holders to ensure they are aware of the overall budgetary constraints and should be input on the schools finance system. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

Any revisions should be reported to the relevant Finance Committee / Governing Body. Any substantial changes must be approved in accordance with the Scheme of Delegation and Limits of Delegation (Appendix I).

6. Budget Management

The SBM will ensure the reconciliation of all Bank Accounts and Budgets at least monthly.

The trust must prepare management accounts every month setting out its financial performance and position. Managers must take appropriate action to ensure ongoing viability.

(ATH2.18)

The format of management accounts must include an income and expenditure account, variation to budget report, cash flows and balance sheet. (ATH 2.21)

Management accounts must be shared with the chair of Trustees on a monthly basis and with other trustees six times per year. (ATH 2.19) Where the board has concerns about financial performance, it should act quickly ensuring the trust has adequate financial skills in place (ATH2.23)

The Head Teacher, Finance Committee and Governors of each Academy will receive at least half termly budget monitoring reports on current spend against budget and forecast outturn expenditure. Recommendations will be suggested regarding appropriate action to be taken to correct any significant over or under spending and plans formulated for consideration at the Finance Committee.

The Head Teacher may delegate elements of the budget to staff where this is appropriate. These budget holders must operate within the same objectives and controls as those agreed for the Academies as a whole. Delegated budget holders will be provided with sufficient information to enable them to perform adequate monitoring and control. Such budget holders are accountable to their Headteacher who is responsible for ensuring mechanisms exist to enable such delegated budgets to be monitored and managed. Any potential overspends against the budget must in the first instance be discussed with the SBM.

Each Finance Committee will continually monitor the quality of the financial information presented to the Committee to ensure that what is provided remains appropriate, particularly in terms of its timing, level of detail and narrative. The original Budget must be fixed in the financial accounting systems and up-to-date changes monitored against a virement record which will record in-year changes to allocations.

An audit trail of all virements made after the approval of the original budget must be made and reported to the relevant Finance Committee.

7. Accounting Systems

7.1 Financial Accounting System

The MAT currently uses the FMS6 Accounting System and all financial transactions must be recorded using this system. Access rights within FMS6 are defined for each user with a unique ID and password.

- All financial transactions relating to each Academy's budget must be recorded using FMS6.
- There must be a clear audit trail for all financial transactions from the original documentation to accounting records. Finance records must be stored for 7 years in accordance with the Companies Act. (ATH 6.6)
- Only authorised staff will be permitted access to the accounting records, which should be securely retained when not in use.
- Authorisation and supervisory controls should be adequate to ensure transactions are properly recorded or that errors are identified.
- All records should be protected against unauthorised modifications, destruction, disclosure or loss whether by accident or intention.
- The finance systems must be protected by robust back up procedures. Each system is backed up automatically on disc space held on site and also held off site which can be accessed remotely through each academy's normal back-up routines.

7.2 Transaction Processing

- All journal transfers and transactions in the Nominal Ledger will be processed by front office staff.
- Cash Book journals will be transacted by the Business / Finance Managers or front office staff
- Fixed Asset transactions will be made by the Business / Finance Manager
- Orders on requisitions authorised will be raised by each Academy's front office staff
- Invoices will be processed ready for payment by academy's Front office staff
- Sales Ledger & Purchase Ledger transactions will be processed by each academy's Front office staff
- BACS or Manual Payments should be raised by the Business / Finance Manager and countersigned in accordance with the Bank Mandate.
- The Business / Finance Manager will obtain and review system reports to ensure only regular transactions are posted to the accounting system.
- The Business / Finance Manager will ensure monthly reconciliations in respect of the sales ledger; purchase ledger, payroll, nominal ledgers and cash book

8. Payroll

The main elements of the payroll system are:

- Staff Appointments
- Payroll administration
- Payments and monitoring

8.1 Staff Appointments:

Each Local Governing Body approves a personnel establishment for their Academy which is known as the Staffing Structure

and forms part of the Pay Policy. Material changes to the Staffing Structure of the Academy may only be approved by the relevant MAT Finance Committee who must ensure that adequate budgetary provision exists for any established changes and after the required period of consultation with unions and staff. Any Trust-wide appointments must be approved by the MAT Board of Directors, after consultation with each Local Governing Body.

The Head Teacher has the authority to appoint staff within the authorised staffing structure, whilst following the appointment process as set by each Local Governing Body every Autumn Term.

Each academy will maintain personnel files for all members of staff, which include contracts of employment.

8.2 Payroll Administration

The MAT's payroll is outsourced to the relevant Local Authority meeting MMRC regulations

All Payroll transactions relating to staff, permanent or casual, will be processed through the payroll system. Payments for employment will not be made to staff or visiting lecturers through any other mechanism. All new appointments, leavers, changes to contracts or personal details are notified to the LA using their New Starter / Employee Change / Leaver forms.

The changes to the Finance system will be made by the Business / Finance Manager following authorisation by the Head Teacher. In the case of changes to the Headteacher's salary, this should be approved by the Chair of the Governing Body or MAT Board as per the Scheme of Delegation (Appendix I). Copies should be retained on the employees personnel file.

The board of trustees must ensure its decisions about levels of executive pay (including salary and any other benefits) follow a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities. No individual can be involved in deciding their remuneration. The board must discharge its responsibilities effectively, ensuring its approach to pay and benefits is transparent, proportionate and justifiable (ATH2.30 and ATH2.31)

The MAT must ensure its senior employees' payroll arrangements fully meet their tax obligations and comply with HM Treasury's guidance about the employment arrangements of individuals on the avoidance of tax. (ATH2.33)

All personnel files shall be stored in a lockable cabinet. Only the Headteacher, Business / Finance Manager and delegated front office staff will have access to staff files but individuals can request to see their own files in line with data protection policies.

The Business / Finance Manager is responsible for keeping the staff personnel database up-to-date.

Absence records are maintained weekly by the Business / Finance Manager. Both paid and unpaid leave is notified to the LA monthly and also recorded on the schools personnel system.

Staff claims for overtime must be signed by individual teachers, and checked by the Business / Finance Manager. Claims for overtime / variance of grade of duties, casual claims and supply claims must be notified to the LA in the prescribed form. It will be countersigned by the Head Teacher and sent to payroll in line with their cut off timetable.

8.3 Payments and Monitoring

All salary payments are made by BACS. The payroll provider submits payroll reports prior to salary payments being dispatched detailing costs and individuals' payment details. A BACS report is also submitted for each Academy. The

Finance Manager/SBM will undertake a sensibility check whenever possible to ensure the data does not contain major errors prior to salaries being paid.

The FM/SBM will undertake a reconciliation of all claims for additional hours / unpaid leave and investigate any differences between the previous months gross salary against the current months.

The payroll system automatically calculates the deductions due from salaries to comply with current legislation.

The LA are authorised to make BACS payments from each Academy's Bank Account by direct payment for the amounts of the deductions to the following agencies: Local Government Pension Scheme, Teachers Pensions, Prudential Teachers AVC's, Unison & GMB by the 7th of the month following the pay run and to HMRC by the 19th of the month following the pay run.

The BM will enter the payroll data onto finance system via Journal Transfer at the earliest opportunity.

9 . Value for Money (VFM) Procedures (ATH 2.25, ATH 2.29)

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

Purchase level	Procedure
Less than £1,000	A price must always be obtained prior to any order being placed. This price should be attached to the purchase order and filed.
Low Value - between £1,000 and £2,500	At least two oral quotations should be obtained prior to any order being placed. These should be attached to the purchase order and filed alongside the rationale for selecting the chosen supplier.
Medium Value - between £2,500 and £10,000	At least three written quotations should be obtained prior to any order being placed. These should be attached to the purchase order and filed alongside the rationale for selecting the chosen supplier.
High Value - between £10,000 and £50,000	At least three formal quotations should be obtained in writing by a specified date and time and based on a written specification and evaluation criteria. These should be attached to the purchase order and filed alongside the rationale for selecting the chosen supplier. [The Headteacher can incur expenditure on single orders between £10,000 and £25,000 with the prior approval of the MAT Finance Committee. The Headteacher can incur expenditure on single orders in excess of £25,000 with the prior approval of the MAT Board.]
Above £50,000	Subject to a formal tending process to include four tenders. The MAT Board may choose to waive the £50,000 limit, subject to an approved business case. (FTS) must be observed Refer to MAT Board for template.
Tenders over £118.00 (Public contract regulations 2015) and Tenders will now be published on a new e-tendering portal, called Find a Tender Service (PPN08/20) appendix 2	. If school wishes to enter into multiple contracts to fulfil the same requirement, then the value of those contracts will be aggregated together to decide whether it crosses the threshold. The rules are very specific about this: when offering public sector tenders contractors must not enter into separate contracts below the thresholds in order to avoid having to apply the regulations.

10. Forms of Tender (ATH2.28)

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

10.1 Open Tender:

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

10.2 Restricted Tenders:

This is where suppliers are specifically invited to tender and are appropriate where:

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

10.3 Negotiated Tender:

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

- The above methods have resulted in either no or unacceptable tenders,
- Only one or very few suppliers are available,
- Extreme urgency exists,
- Additional deliveries by existing supplier are justified

10.4 Preparing for Tender

Full consideration should be given to:

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

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

10.5 Invitation to Tender

An invitation to tender should include the following:

- Introduction/background

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

10.6 Aspects to Consider

Financial

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

Technical

- Qualifications of contractor
- Experience
- Descriptions of technical and service facilities
- Compliance to CDM
- Certificates
- Quality control procedures
- Details of previous sales and references

Other considerations

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

10.7 Tender Acceptance Procedures

The tender invitation will state the time and date by which the completed tender document should be received by the relevant Academy. Tender submissions should be:

- received in plain envelopes clearly stating they contain tender documents they must be
- Date stamped and marked with the time of receipt
- Store, unopened, in a secure place prior to tender opening
- Tenders received after the deadline should not normally be accepted

10.8 Tender Opening Procedures

All tenders should be opened at the same time and tender details should be recorded and signed. Two persons should be present at the opening of the tenders this would normally be the BM and the Headteacher. In some circumstances this could

be delegated to an agent who has been employed by the Academy to undertake the tendering process i.e. a firm of architects.

10.9 Tender Evaluation Procedures

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

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

Full records should be kept of all criteria used for evaluation and for contracts over £25,000; a report should be prepared to the Finance Committee.

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

10.10 Conflict of Interest

Any conflict of interest will be managed in accordance with the Stanton Bridge MAT Conflict of Interest policy, including transactions with related parties, to ensure compliance with the Academies Handbook (ATH5.45-ATH5.48)

Reporting of all related party transactions over £20,000 (ATH5.41) are from 1st April 2019 to be reported to the ESFA prior to the transaction taking place (ATH5.42)

Each identified conflicts of interest, will have a dedicated management plan incorporated into the Roles and Responsibilities of The Trustees as per the Conflict of Interest policy. The management plan will detail the permitted remit and restrictions against The Trustee within the board decision making process.

11. Purchasing (ATH2.28)

The MAT will aim to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable. The Headteacher is responsible for ensuring procedures are in place for testing the market, placing of orders and paying for goods and services by following the general principles of:

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

The SBM will ensure that there is a clear separation of duties within the process.

11.1 Orders for goods and services

Academy staff should raise a request to order goods or services using a requisition form available from the school.

Where the value of an order is over £10,000, the requisition must be accompanied by evidence of an appropriate number of quotes /or proof that a Value for Money (VFM) exercise has taken place – as per section 10. Orders will be authorised only if the VFM documentation is present and correct.

Advice about suppliers or obtaining best value is available from the SBM.

- Upon receipt of a requisition form the requisition must be authorised by a signatory in line with the Authorised Signatories (Appendix I).
- Official orders will be raised through the finance system and faxed, emailed or posted to the supplier.
- Telephone/direct verbal ordering will be permitted only in situations where raising an official order is not practicable and always with prior approval from the SBM. In such cases, a confirmation order will be raised as soon as possible, normally within 24 hours.
- Requisition forms must be attached to the generated order.

11.2 Delivery of Goods and Services

- On receipt of goods a member of the relevant Academy's office staff will check the goods received, match the delivery note and sign the note to confirm this.
- The office staff will check the delivery note against the original order to ensure the correct goods have been dispatched and then attach the delivery note to the original requisition form in the file
- The member of staff will raise any discrepancies with the front office staff for investigation
- The office staff will dispatch goods to the staff who requested the goods
- The member of staff who requested the goods must ensure that the goods received are of acceptable quality any goods that rejected must be notified to the BM within 2 days of delivery.
- The signed delivery note should be attached to the invoice

12. Payment of Accounts

12.1 Processing of Invoices

Payment for supplies and services will be paid upon receipt of an invoice when: -

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

Any copy invoices will be checked thoroughly before processing for payment, in order that duplicate payment can be avoided.

At least two people must be involved in the process of agreeing invoices and authorising payment. The front office staff will do the above checks and pass to the Head teacher for authorisation. The Headteacher will authorise the payment of the invoice. All invoices are to be processed through the finance system, payments generated via BACS / or cheque and authorised in accordance with the Bank Mandate.

12.2 Payments to individuals

Payments can be only made to individuals on production of proof that they are self-employed. They should produce proof of their Unique Tax Reference. (UTR). If they cannot provide proof of this, payment cannot be made to the individual via an invoice and they can only be paid via payroll and therefore must complete all the normal pre-

employment checks.

IR35- HMRC- from 6 April 2017 -reform of intermediaries legislation, so it is about situations where the worker provides their services to the client through their own company. This might be a PSC they own or control, a partnership or via another individual and includes those which are MSCs. It is not relevant to situations where an agency or consultancy sends their workers who are employed directly and PAYE and NIC deducted

Where the intermediary provides a worker to an end client who is defined as a public authority (see HM Revenue and Custom's (HMRC) Employment Status Manual at ESM 3072) then that end client, or employment agency, will be responsible for the operation of Pay as you earn (PAYE)/National Insurance contributions (NICs) on any payments made to the intermediary.

It is important that all necessary checks are carried out as per the MATs IR35 guidance.

13. Other Purchases

The MAT recognises that there are instances when it is not possible to process orders for goods and services in the normal way and items such as ingredients for cookery may have to be purchased and claimed back. Staff must always obtain prior approval before making any purchases that they require reimbursement for. In these circumstances and wherever possible to obtain a VAT receipt or by noting down the company's full name and VAT number.

13.1 Internet Purchases & Debit Card Purchases

Internet & debit card purchases:

- 2 SLT members and the Headteacher will hold a debit cards (3 Cards in operation) for orders placed over the internet/telephone/in store
- Each receipt is signed by an independent member of the SLT Team (not the cardholder) to verify expenditure
- The transactions are recorded on FMS by way of cash book journal within the month the debit card is used for each cardholder
- Receipts are filed with the respective cash book journal
- The debit card should be held securely by the cardholder at all times and the PIN code not disclosed to any other party,

13.2 Reimbursements to individuals

For reimbursement of cash transactions:

- Requests for reimbursement to individuals are to be made and MUST be supported by receipts for the goods/services received.
- Reimbursement may be refused if the BM/Headteacher considers maverick purchasing methods have been used, or the member of staff did not seek prior approval
- The person being reimbursed signs for receipt of the reimbursement
- The reimbursement is recorded in Petty Cash (spreadsheet) as soon as possible and the transaction number recorded on the documentation

14. Income

The main sources of income for the MAT are the grants from the ESFA and the Local Authority. The receipt of these funds are monitored by the SBM who are responsible for ensuring all grants due to the Academies

within the MAT are collected.

14.1 Income collected by the MAT Academies (ATH2.36),

Each Academy collects income from parents or the public for:

- School Meals
- Trips and residential visits
- Breakfast & After School Club
- Other miscellaneous income including school fund donations

Each Front office staff and Lunchtime Administrators are responsible for the day to day administration and collection of Income.

14.2 Trips / Activities

A lead teacher must be appointed for each trip. For every trip or activity an On / Off Site Activities form must be completed. The relevant staff is responsible for budgeting for the trip and collecting the sums due and liaising with the Lead Teacher over amounts outstanding. There must be evidence that there is no intention to make a profit from any trip or activity.

Cash/cheques sent in via pupils must be placed in the class collection boxes which are taken to the office each day. Parents may also pay at reception. All payments are recorded in the class payments sheet and on the relevant income spread sheet.

14.3 Lettings

There are currently no lettings across the MAT. However reference should be made to the lettings police the rental agreement and the remissions and charges policy.

14.4 Custody

- All cash and cheques must be held in each Academy's Finance Office safe prior to banking. Banking will take place weekly. Banking is collected by Security Plus weekly during term time.

Each Academy's finance assistant and lunchtime administrators are responsible for preparing paying-in documentation. A summary of the weekly banking should also be recorded in the school office. The finance assistant should input the banking amounts into FMS and the SBM should complete reconciliations between sums collected, the sums deposited at the bank and the sums posted to the accounting system during routine month end procedure.

14.5 Debtors (AFH5.19- AFH5.22)

Debts up to £500 may be written off by the SBM

Debts up to £1,000 may be written off by the Headteacher.

Debts over £1,000 may be written off only with the approval of the Finance Committee. Write-off limits are:

- 1% of **total annual income** or £45,000 (whichever is smaller) per single transaction;
- cumulatively, 2.5% of **total annual income** in any one financial year per **category of transaction** for any academy trusts that have not submitted timely, unqualified financial returns for the previous two financial

years. This category includes new academies that have not had the opportunity to produce two years of financial statements; and

- cumulatively, 5% of **total annual income** in any one financial year per **category of transaction** for any academy trusts that have submitted

Debts above the level as detailed in the funding agreement must be submitted to ESFA for approval to be written off.

The following debt recovery policy will be applied:

- If payment has not been received 30 days after invoice a reminder will be sent asking for payment within 7 days.
- If payment is not forthcoming, a further reminder will be sent, requesting immediate payment or contact to arrange repayment by installment.
- If payment is still not forthcoming, for debts over £100, a letter will be issued to put the matter into the hands of legal representatives if payment is not received within the next 7 days.
- If not received after 7 days, legal representatives will be asked to pursue the debt and the debtor will be notified accordingly.
- Debts of £100 and less will be pursued without reference to legal representatives and will be reported on at Finance Committee meetings where Governors will decide on action to be taken.

15. Cash Management

15.1 Bankers

The MAT have appointed Lloyds as their bankers for all funds. The opening of all bank accounts must be authorised by the Directors who must set out in the Scheme of Delegation the arrangements covering the operation of accounts. This should include any transfers between accounts, cheque signing arrangements and the operation of systems such as BACS which must also be subject to the same level of control.

15.2 Deposits

Particulars of any bank deposit must be entered on a paying-in slip and should include:

- The amount of the deposit
- Breakdown of cash
- Cheques must have a separate paying-in slip

The copy of the slip retained in the paying-in book should include:

- The amount of the deposit
- Details and ledger code for the type of income
- The Security Plus Collection Bag Reference Number
- Signature of person preparing the banking
- Summary of weekly banking must include

- Bag numbers and the amount
- Security collection receipt attached

15.3 Payments and withdrawals

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

15.4 Bank Reconciliations

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

- All bank accounts are reconciled on a monthly basis.
- Adjustments and queries are dealt with promptly.

15.5 Debit Cards / Purchasing Cards

Debit / purchasing cards are issued for the purposes of paying for goods and services when the normal ordering processes are not possible.

Card Holders will

- Ensure cards are held securely and should be in their school's safe when not in use
- Ensure PIN numbers are not disclosed to any other persons
- Report any instances of unauthorised card use to their Finance Committee
- Report the loss of card or PIN details to the Bank immediately

15.6 Cash Flow Forecasts

The SBM is responsible for preparing cash flow forecasts to ensure that each Academy has sufficient funds available to cover day-to-day operations (AFH 2.24). If significant balances can be foreseen, steps should be taken to invest the extra funds.

15.7 Investments (ATH 2.25)

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

15.8 Reserves

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

16. VAT

16.1 VAT Claims

Each Academy is registered for VAT. Under legislation VAT claims can be made on expenditure supporting the Academies' core business purposes. Claims will be made to the HMRC by the MAT accounts team on at least a

quarterly basis.

17. Fixed Assets (AFH 5.23 and ATH 5.24)

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

18. Academy Inventory

The inventory is the responsibility of the SBM to maintain and will be kept up to date at all times.

19. Computer Systems

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

- Back-up Procedures
- Passwords
- Disaster recovery plans

20. Reporting to the ESFA

Each Academy is required to submit reports to the ESFA in the following areas

- Financial Management and Governance

The Trust will notify DfE of the appointment or vacating of the positions of:

- member, trustee and local governor
- chair of trustees, chairs of local governing bodies, accounting officer and chief financial officer, including direct contact details within 14 days of that change. Notification must be made through the governance section of DfE's Get Information about Schools (GIS) which is accessed via Secure Access. All fields specified in GIS for the named individuals must be completed.

Appendix I – Limits of Delegation and Authorised Signatories (Customize for each individual academy)

Purchase Orders invoice approval for Goods and Services,

Position	Name	Limit / Restriction
MAT Board	Chair: Dr Evans Gyasi	All expenditure over finance committee limit £25k and over recorded in minutes
MAT Finance Committee	Chair: Mohammed Islam	All expenditure over Heads limit of £10,001-£24,999 Decision recorded in minutes
Headteacher-Stanton Bridge School	Sofina Islam OBE	Up to £10,000
Business / Finance Manager	Sue Gilroy	Up to £2,000 – anything more would need prior approval by Head

Approval to accept a quotation of 3 or formal tendering process

Position	Name	Limit / Restriction
MAT Board	Chair Dr Evans Gyasi	All expenditure over Mat Finance committee limit of £25k to £118,00 (Find a Tender Service (PPN08/20) limit) – Decision recorded in minutes
MAT Finance Committee	Chair Mohammed Islam	All expenditure over Heads limit of £10,000-£24,999 Decision recorded in minutes
Headteacher-Stanton Bridge School	Sofina Islam OBE	Up to £9,999
Business / Finance Manager	Sue Gilroy	Up to £2,000 – anything more would need prior approval by Head

Approval to accept a quotation of 3 or formal tendering process other than lowest

Position	Name	Limit / Restriction
MAT Board	Chair Dr Evans Gyasi	All expenditure over Mat Finance committee limit of £25,001 to £118,00 (Find a Tender Service (PPN08/20) limit) – Decision recorded in minutes
MAT Finance Committee	Chair Mohammed Islam	All expenditure over Heads limit of £5,001-£25,000 Decision recorded in minutes
Headteacher- Stanton Bridge School	Sofina Islam OBE	Up to £5,000
Business / Finance Manager	Sue Gilroy	Up to £2,000 – anything more would need prior approval by Head

Authorisation to Make Virements from Reserves or Between Cost Centres

Position	Name	Limit / Restriction
MAT Finance Committee	Chair Mohammed Islam	The MAT Finance Committee must be informed retrospectively. recorded in minutes
Headteacher- Stanton Bridge School	Sofina Islam OBE	The Headteacher may undertake virements between nominal codes and budget heads on the approved financial plan and the MAT Finance Director must be kept informed
Business / Finance Manager	Sue Gilroy	Up to £2,000 – anything more would need prior approval by Head

Users of FMS6 Financial Management System

Position	Name	Limit / Restriction
School Business Manager	Sue Gilroy	System Administrator
Headteacher- Stanton Bridge School	Sofina Islam	Full Access
Financial Administrator	Elaine Kent	Enter & Authorise
Financial Administrator		Enter & Authorise

Certification of Payroll Documents

Position	Name	Limit / Restriction
Business Manager	Sue Cilroy	To authorise pay awards (with the exception of the Executive Headteacher) once approved by
Headteacher-Stanton Bridge School	Sofina Islam OBE	All new starter/contract changes forms re payroll Sign off of summary of add

Certification of Travel Claims

Position	Name	Limit / Restriction
Business Manager	Sue Cilroy	£50 per claim
Headteacher-Stanton Bridge School	Sofina Islam OBE	Claims over £50 and any BMT claims

Authorisation to Write Off Bad Debts

Position	Name	Limit / Restriction
Business manager	Sue Cilroy	up to £500
Headteacher- Stanton Bridge School	Sofina Islam OBE	Up to £1000
MAT Finance Committee	Chair Mohammed Islam	Over £1000-£44,999 recorded minutes
Secretary of State		Detailed in Funding agreement

Completion of VAT Returns

Position	Name	Limit / Restriction
MAT Accountant	Elaine Kent	Quarterly Return

Appendix 2

Procurement Policy Note – Introduction of Find a Tender Action Note PPN 08/20 November 2020 **Issue**

1. This Procurement Policy Note (PPN) reminds contracting authorities of Find a Tender (FTS), the new UK e-notification service where notices for new procurements are required to be published in place of the Official Journal of the European Union's Tenders Electronic Daily (OJEU/TED), from the end of the Transition Period.

Dissemination and Scope

2. This PPN applies to all contracting authorities, including Central Government Departments, Executive Agencies, Non Departmental Public Bodies, wider public sector, local authorities, NHS bodies, and utilities in respect of procurements regulated by the Public Contracts Regulations 2015, the Utilities Contracts Regulations 2016, the Concession Contracts Regulations 2016 and The Defence and Security Public Contracts Regulations 2011 (the "Regulations"). Together these are referred to in this PPN as 'contracting authorities'.

3. Please circulate this PPN within and to relevant organisations that you are responsible for, drawing it to the specific attention of those with a purchasing role.

Timing

4. Contracting authorities should be prepared to apply the provisions of this PPN from the end of the Transition Period (23:00 on 31 December 2020) for new procurements.

Action

5. At the end of the Transition Period, amendments to the Regulations in relation to the withdrawal of the UK from the EU will come into force. This means that, whilst the framework and principles underlying the public procurement regime (the procurement procedures, financial thresholds, etc.) will not substantially change, contracting authorities will be required to publish public procurement notices for new procurements to the new UK e-notification service, **Find a Tender** (FTS): <https://www.find-tender.service.gov.uk>

Background

6. The Public Procurement (Amendment Etc.) (EU Exit) Regulations 2020 and The Defence and Security Public Contracts (Amendment) (EU Exit) Regulations 2020, have been laid before Parliament and, once made, will make amendments to the Regulations to address deficiencies arising from the UK's withdrawal from the EU and to give effect to the public procurement chapter of the Withdrawal Agreement agreed between the UK and the EU. These amendments are being made to ensure public procurement law operates effectively after the end of the transition period and include new requirements on publication of notices for new procurements. What will change for contracting authorities?

7. Contracting authorities have legal obligations under the Regulations to publish certain notices in relation to public procurements. For procurements which are launched after 23:00 on 31 December 2020, you will be required to publish notices relating to those procurements on FTS instead of OJEU/TED.

8. All legal and policy requirements to advertise on other platforms such as Contracts Finder and MOD Defence Contracts Online or Devolved Administration systems such as Public Contracts Scotland, Sell2Wales, eSourcing NI and eTendersNI will not be affected by these changes. Publishing to Find a Tender

9. FTS will be available for public use from 23:00 on 31 December 2020.

10. Contracting authorities that are currently working with a third party provider ('eSender') to submit notices to OJEU/TED will be able to continue to use them provided that the eSender successfully completes integration work to post notices to FTS. A list of eSenders who have successfully completed integration work can be found here. Contracting authorities may wish to contact their eSenders to ask them about their plans for integrating with FTS.

11. Contracting authorities that need to publish directly to FTS will need a Supplier Registration Service (SRS) account:

- Existing Contracts Finder users will be enabled to publish to FTS automatically and need take no action.
- Contracting authorities that do not have a Contracts Finder or a Supplier Registration Service account will need to register as a buyer at <https://www.contractsfinder.service.gov.uk/organisation/register> and apply to post notices.
- Contracting authorities that do have an SRS account, but not a Contracts Finder account will need to go to Contracts Finder and sign in with their SRS credentials at <https://www.contractsfinder.service.gov.uk/login> and then apply to post notices.

12. Enquiries about registration should be directed to the Crown Commercial Service Helpdesk on 0345 410 2222 or info@crowncommercial.gov.uk

Procurements in progress at the end of the transition period

13. In respect of procurements which are launched before 23:00 on 31 December 2020 and which have not yet been finalised by that date, the current requirement to publish notices to OJEU/TED will continue to apply after the end of the transition period.

14. This means that if you launch a procurement process before the end of the transition period, but that procurement process has not finalised by the end of the Transition Period, you will need to continue to publish notices relating to your procurement on OJEU/TED. This includes any relevant notices such as contract notice, contract award notice, contract amendments notice and corrigenda.

15. For these purposes, a procurement is launched when a contract has been advertised, including for example by way of publication of a prior information notice as a call for competition or a contract notice, or notified to those involved where an advertisement is not required.

16. A procurement is finalised on publication of a contract award notice or, where such a notice is not required, when the contract is entered into, or when bidders are informed why the contract was not awarded

if there was a decision not to award.

17. You must still publish details of the contract award to Contracts Finder, the relevant Devolved Administration or other portals in accordance with relevant legal and policy requirements.

18. Contracting authorities are asked to send notices which are required to be sent to OJEU/TED for publication, to FTS so that suppliers have only one place to look for UK opportunities. However this is not a legal requirement.

19. If you are legally required to send notices to OJEU/TED for publication, you must do so before publishing to FTS. What will change for businesses?

20. Contracting authorities are requested to make their suppliers aware of the following changes:

21. Suppliers wishing to access public sector contract opportunities in the UK where the procurement is launched after 23:00 on 31 December 2020 will need to access FTS. These changes do not affect suppliers' access to other domestic portals, such as Contracts Finder, MOD Defence Contracts Online, Public Contracts Scotland, Sell2Wales and eTendersNI.

22. Suppliers who wish to access public sector contract opportunities in the EU or information about procurements launched by UK contracting authorities before 23:00 on 31 December 2020, may continue to do so via OJEU/TED.

23. Suppliers and data consumers who make use of OJEU/TED data outputs will be able to access publicly available data outputs for FTS. Data is available for testing, for support please contact the Crown Commercial Service Helpdesk on 0345 410 2222 or info@crownccommercial.gov.uk. **Further information**

24. Further information is available on GOV.UK.

25. Enquiries about this PPN should be directed to the Crown Commercial Service Helpdesk on 0345 410 2222 or info@crownccommercial.gov.uk.