



Diocese of Norwich  
Education and  
Academies Trust

# Finance Policy

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<b>Approved By:</b>	<b>DNEAT Board of Trustees (FARC)</b>
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<b>Person Responsible:</b>	<b>Chief Operating Officer</b>

## Summary of Changes

The policy will be revised to reflect any changes to the statutory guidance. Changes since the last policy are outlined below.

Page Ref.	Section	Amendment	Date of Change
Throughout		Change to new payroll provider Orovia, Minor typographical corrections	Sept 22
65	App 7	Addition of financial probity policy for simplification of policy library	Sept 22

## **Roles and Accountabilities**

The Diocese of Norwich Education and Academies Trust (DNEAT) is accountable for all policies across its Academies. All policies, whether relating to an individual academy or the whole Trust, will be written and implemented in line with our ethos and values. We are committed to the provision of high-quality education in the context of the Christian values of service, thankfulness, and humility where individuals are valued, aspirations are high, hope is nurtured, and talents released.

A Scheme of Delegation for each academy sets out the responsibilities of the Local Governing Body and Principal / Head Teacher. The Principal / Head Teacher of each academy is responsible for the implementation of all policies of the Academy Trust.

The Principal / Head Teacher of each academy is required to sign the declaration sheet (Appendix 4) to indicate that the policy will be applied and that they will be disseminated to the appropriate staff at their academy.

All employees of the Academy Trust are subject to the Trust's policies.

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## **I Background**

I.1 The purpose of this policy and associated procedures is to ensure that the Diocese of Norwich Education and Academies Trust ("the Trust") maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the Trust's Funding Agreement with the Department for Education (DfE).

I.2 The Trust must comply with the principles of financial control outlined in the academy's guidance published by the DfE and with attention to the Academies Trust Handbook. This policy expands on that and provides detailed information on the Trust's accounting procedures. It should be read by all staff including those involved with financial systems.

I.3 This policy applies to the Trust and all the Trust's academies, and ancillary facilities such as Nurseries. Adherence to the principles and procedures contained in this policy is mandatory for all staff and this policy should be read in conjunction with the Financial Probity Policy.

I.4 This policy is designed to be consistent with:

- ESFA Academies Trust Handbook
- Trust Articles of Association / Constitution
- Master and Supplemental Funding Agreements
- HM Treasury's "Regularity, Propriety and Value for Money"

I.5 This Policy also contains the following appendices:

Appendix 1 Financial Authorisation Levels

Appendix 2 Procurement Policy

Appendix 3 Roles and Responsibilities

Appendix 4 Record of Financial Responsibility

Appendix 5 Company Credit Cards

Appendix 6 Employee Expenses Policy

Appendix 7 Financial Probity Policy

## 2 Organisation

2.1 The Trust has defined the responsibilities of each person involved in the administration of the Trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for directors and staff. Whilst ensuring there is segregation of duties where possible, it is recognised that this presents a challenge in many of our smaller locations. The financial reporting structure is outlined below:

### ***Trust Board of Directors / Trustees and the Finance, Audit & Resources Committee***

2.2 The Board of Directors / Trustees has overall responsibility for the administration of the academies' finances and the effectiveness of internal controls but delegates certain powers to its Finance, Audit & Resources Committee, Officers and the academy Local Governing Bodies through schemes of delegation. However, the Board reserves the right to remove all or part of the delegated powers, although this will be in exceptional circumstances.

The main responsibilities of the Board are prescribed in the Trust Articles of Association and in the Funding Agreement between the Trust and each of its academies with the Department for Education (DfE).

In addition, financial information needs to be prepared in accordance with company and charity law and in line with accounting standards identified by the Education and Skills Funding Agency (ESFA).

These responsibilities in relation to financial matters include:

### ***Trust Board of Directors / Trustees (“The Trust”)***

2.3 The Board is responsible for ensuring that high standards of corporate governance are maintained, addressing such matters as:

- finance policy development and strategic planning;
- ensuring sound management and administration of the Trust and its academies and ensuring that managers are equipped with relevant skills and guidance;
- ensuring compliance with general legislative requirements;
- establishing and maintaining a transparent system of prudent and effective internal controls;
- management of the Trust's financial, human and other resources;
- monitoring performance and the achievement of objectives and ensuring that plans for improvement are acted upon;
- setting the Trust's standards of conduct and values;

- assessing and managing risk, (including the preparation of a statement on academies risk management, for its annual report and accounts); and
- to hold to account the CEO and Trust staff.

### ***Finance, Audit & Resources Committee (a committee of the Trust)***

2.4 The Committee is responsible for the detailed consideration as to the best means of fulfilling the Trust's responsibility to ensure sound management of the Trust and Academy finances and resources, including proper planning, monitoring and probity by:

- assisting to promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds;
- promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement;
- contributing to the formulation of each Academy's Development Plan, through the consideration of financial priorities and proposals, in consultation with the CEO, AID, COO, Headteachers / Principals and Local Governing Bodies, with the stated and agreed aims and objectives of the Trust;
- considering and recommending acceptance/non-acceptance of the Trust's budget at the start of each financial year;
- monitoring and reviewing income and expenditure on a regular basis and ensuring compliance with the overall financial plan for the Trust, and with the Academies Financial Handbook, drawing any matters of concern to the attention of the Board; and
- Granting or removal of LGB financial delegation

This committee is also responsible for scrutinising the Trust and Academy internal control systems and risk management arrangements, by:

- assisting to promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds;
- improving the quality of financial reporting by reviewing internal and external financial statements on behalf of the Board;
- promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement and/or fraud;
- promoting the development of internal controls and risk management systems which will help satisfy the Board that the Trust and its Academies will achieve their objectives and targets and are operating:
- in accordance with any statutory requirements for the use of public funds;
- within delegated authorities laid down by Board of Directors/Trustees; and
- in a manner which will make most economic and effective use of resources available

### ***The Chief Executive Officer (CEO)***

2.5 The Chief Executive Officer is the Accounting Officer with responsibilities as described in HM Treasury's "Regularity, Propriety and Value for Money".

The Accounting Officer has personal responsibility for the propriety and regularity of the public finances for which he/she is answerable. It must be ensured that, in considering proposals relating to the expenditure or income for which they have responsibilities, all relevant financial considerations are considered, and full regard is had to any issues of propriety or regularity.

2.6 The main responsibilities of the CEO include:

- the development of the trusts annual budget;
- the development of medium-term financial planning;
- the regular monitoring of actual expenditure and income against budget;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies;
- ensuring that the regular reports provided to the Board are timely and accurate;
- authorising orders and the award of contracts within the approval limits shown in Appendix I;
- authorising payments within the approval limits shown in Appendix I; and
- authorising changes to the Trust's personnel establishment.

### ***Headteachers/Principals (Academy level)***

2.7 Within the framework of the Trust's Business Plan, each academy Headteacher/Principal has overall executive responsibility for the academy's activities including financial activities. The Scheme of Delegation sets out the overall delegated financial limits for each academy and these limits may be delegated to the Academy Finance Managers/Business Managers by the Headteacher/Principal. Over these limits the financial responsibility has been delegated to the Trust's Chief Operating Officer (COO).

The Headteacher/Principal retains financial responsibility for areas such as:

- the development of the annual budget for the Academy for submission to the Trust's Finance and Resources Committee;
- approving new staff appointments within the authorised establishment, except for any senior staff posts which the Board of Trustees have agreed should be approved by them under the scheme of delegation;
- authorising orders and the award of contracts within the delegated limits shown in Appendix I;
- authorising payments within the delegated approval limits shown in Appendix I;
- ensuring the delivery of the academy annual budget as approved by the Trust; and



- monitoring the regular budget reports with the Academy Business Manager/Finance Officer and acting on overspends or risk.

### ***The Chief Operating Officer (COO) (Trust level)***

2.8 The COO works in close collaboration with the CEO through whom they are responsible to the Trust board. The COO has direct access to the Board. The main responsibilities of the COO are:

- the management of the Trust's financial position at a strategic and operational level within the framework for financial control determined by the Board;
- 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 each academy;
- the preparation of central service budgets and medium term financial plans;
- ensuring returns to ESFA and other funding agencies are completed correctly and on time;
- ensuring returns to statutory agencies are completed correctly and on time;
- cash flow and treasury management including managing investments;
- functional management of Academy Finance Managers/ Academy Business Managers (under a matrix management approach with academy line manager) where required;
- authorising orders and the award of contracts above the delegated approval limits shown in Scheme of Delegation;
- authorising payments within the central approval limits shown in Appendix I, and for those academy items more than their delegated limits; and
- Centralised procurement (where applicable)

### ***Financial Controller & Central Finance Team (Trust level)***

2.9 The Financial Controller, under the guidance of the COO, oversees the day to day running of the Central Finance Team (Central Finance Officers, Finance Administrators). This involves processing all financial information into the accounting software (PSF) and production of the monthly management accounts for each academy. Central Finance Officers provide support and guidance to the Academy Business Managers/Finance Officers based at the academies.

The main financial responsibilities of the Financial Controller and the Central Finance Team will be as their job description but will include:

- Posting all purchase and sales invoices into the accounting software
- Posting all staff expenses and credit card expenses into the accounting software
- Paying creditors
- Posting all bank transactions to the accounting software
- Posting all journals into the accounting software

- Producing monthly management accounts reports for each academy
- Overseeing financial process improvement
- Administer the PO system

### ***Academy Finance Officer/Academy Business Manager (Academy level)***

2.10 It is envisaged that each academy or federation will have the services of an Academy Finance Officer/ Academy Business Manager or a person who undertakes that role albeit with a different job title. The Academy Finance Officer/ Academy Business Managers work in close collaboration with a Finance Officer from the Central Finance Team and the COO.

The main financial responsibilities of the Academy Finance Manager/Academy Business Manager will be as their job description but will include:

- the day to day management of financial issues;
- Entering orders on the Purchase Order (PO) system
- Advising the payroll bureau monthly of salary changes & checking the monthly payroll
- Reviewing management accounts and providing commentary to assist Head Teacher and Resources Committee/Board
- Administering the process of authorisation of invoices
- Ensuring 3 quotes for all expenditure over £5000
- Ensuring best value for money on purchases
- Administering Barclaycard and staff expenses processes
- Development and monitoring of the annual budget in conjunction with the Headteacher/Principal and LGB;
- authorising orders and the award of contracts within the approval limits shown in Appendix I
- authorising payments within the approval limits shown in Appendix I.
- ensuring that financial controls are working effectively at academy level;

### ***The Local Governing Body (Academy level)***

2.11 The Trust has overall responsibility for the administration of the Academy's finances, but delegates responsibilities to the Local Governing Body (LGB). The main responsibilities of the Local Governing Body are prescribed in the Funding Agreement between the Academy and the DfE and in the Academy's Scheme of Delegation.

The main responsibilities include:

- Ensuring that grant from the ESFA is used only for the purposes intended;
- Ensuring that Pupil Premium and Sport Premium Funding is spent in accordance with the scheme, and reported on in accordance with the scheme on the Academies website and to the Trust Board;

- Working with the Trust in their appointment of the Headteacher/Principal; and
- the appointment of the Deputy Headteachers/Principals, Academy Finance Manager/Academy Business Manager, in conjunction with the Headteacher/Principal

### ***The Resources Committee (Academy level)***

2.12 The Resources Committee (or differently named committee which undertakes this role) is a committee of the Local Governing Body which meets at least once a term, but more frequent meetings can be arranged if necessary.

The responsibilities of the Resources Committee are detailed in written terms of reference authorised by the Local Governing Body. The main responsibility is to consider and make recommendations to the Local Governing Body on all financial and budgetary matters not delegated either to the Headteacher/Principal or to the Trust's Finance, Audit and Resources Committee, including:

- the review and consideration of any periodic review of budget monitoring reports;
- all finance policies (where departure from trust models are allowed);
- authorising orders and the award of contracts within the approval limits shown in Appendix I;
- authorising payments within the approval limits shown in Appendix I;
- approval of arrangements to secure compliance with financial regulations; and
- ensuring that all information and assistance is given to the Trust and Trust's auditors and accountants in the production of the annual accounts

NB There is no absolute requirement for every LGB to have a resources committee. The LGB may choose to carry out this function and operate without committees.

### ***Internal Audit***

2.13 The Trust is required to have in place a process for checking its financial systems, controls, transactions and risks.

2.14 The Board will appoint a firm of Internal Auditors (through the Finance, Audit and Resource Committee) to provide an independent oversight of the financial affairs.

The main duties of the Internal Auditors are to provide the Board with independent assurance that:

- the financial responsibilities of the Board are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained and financial considerations are fully considered in reaching decisions; and
- risks are identified, and appropriate actions put in place.

The internal auditors will then undertake a regular programme of reviews to ensure that financial transactions have been properly processed and that controls are operating effectively. A report of the findings from each visit will be provided to the Finance, Audit and Resource Committee for review and an annual report on internal controls will be provided to the financial statement auditors. Where appropriate the Trustees will advise the LGB on the outcomes of visits and any recommendations made.

### ***Other Staff***

2.15 Other members of staff, primarily Finance Officers, Administration Assistants and Budget Holders, will have some financial responsibilities and these are detailed in the following sections of this policy and in their job descriptions.

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 policies and procedures.

### ***Conflict of Interest***

2.16 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 Trust directors, senior staff or staff with financial responsibility are required to declare any financial interests they have in companies or individuals from which the Trust may purchase goods or services. The register is open to public inspection, and this is set out in detail in the Financial Probity Policy. A register will be held at each location of relevant staff within that location.

2.17 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 Trust. 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 director or a member of staff by that person.

2.18 The existence of a register of business interests does not detract from the duties of directors and staff to declare interests whenever they are relevant to matters being discussed by the board or a committee. Those who are considered to have a conflict of interest in the business proposed must absent themselves from any such discussion or vote.

### **3 Accounting System**

3.1 The Trust currently uses the PS Financials system in all the academies. All financial transactions of the Trust must be recorded on this system. The Trust also uses BPS Orovia budgeting software which is required to be used at all locations.

#### **System Access**

3.2 Entry to the accounting system is password restricted and the COO is responsible for implementing a system which ensures that passwords are changed at least annually The FC is responsible for ensuring the passwords are changed annually.

3.3 Access to the component parts of the system can also be restricted and the FC is responsible for setting access levels for all members of staff using the system

#### **Back - up Procedures**

3.4 The COO is responsible for ensuring that there are effective back-up procedures for the system as set out in the ICT policy which is under development. The risk is mitigated by the PSF accounting system being cloud based.

Trustees have identified the major risks and DNEAT has a Trust Level Business Continuity Plan.

#### **Transaction Processing**

3.5 All transactions input to the accounting system must be authorised in accordance with the procedures specified in this policy. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are identified in the associated operational system procedures/user manuals. Online/telephone help is available from the Trust or Finance support provider. All transactions should be entered in the correct accounting period. Cut off dates for payroll are displayed within the payroll system, and the cut off for PSF will be stated in the accounting calendar. Note: The accounting period end is the last day of the calendar month.

The reports obtained and reviewed will include: management accounts summarising expenditure and income against budget at budget holder level and variance to budget.

Master file amendment reports for the payroll (Orovia) System are authorised and reviewed by the DNEAT Chief Operating Officer in the central Trust, and by Finance Officer / Academy Business Manager in each Academy. Signed records of all changes must be held in personnel files.

#### **Reconciliations of Balance Sheet Accounts**

3.6 The Central Finance Team are responsible for ensuring the following reconciliations are performed routinely, and that any reconciling or balancing amounts are cleared:

sales ledger control account

monthly

purchase ledger control account	monthly
payroll control account	monthly
all suspense / control accounts	monthly
accruals and prepayments	monthly
bank balance per nominal ledger to the bank statement	monthly
VAT monthly transaction review and report	monthly

Any unusual or long outstanding (over 90 days) reconciling items must be brought to the attention of the Trust's COO. The Central Finance team will produce, review and sign a document to evidence that all reconciliations have been completed.

At the financial year end a working file must be completed as prescribed and submitted to the COO, together with required documentation for audit inspection

## **4 Financial Planning**

4.1 The Trust and each academy will prepare both medium term and short-term balanced financial plans. Medium term is defined as a period of three years

4.2 The medium-term financial plan is prepared as part of the Trust and Academy annual planning process. This plan indicates how the Trust's and each academy's educational and other objectives / priorities are going to be achieved within the expected level of resources over the next three years.

4.3 The Annual Plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to each academy and the planned use of those resources for the following year.

### ***Trust/ Academy/Single Change Plan (SCP)***

4.4 The SCP is concerned with the future aims and objectives of the Trust and each academy and how they are to be achieved; the Trust will set overall core objectives which will be turned into specific objectives for each Academy. The SCP is costed and draws on an evaluation of each Academy's current performance identifying "areas for improvement" and will ensure that the Trust's objectives and targets are matched to the resources expected to be available.

4.5 The form and content of the SCP will be set by the Academies Improvement Director (AID) and due regard should be given to any guidance issued by the DfE.

### ***Annual Budget***

4.6 The COO and Central Finance Team are responsible for working with the Headteachers/Principals, the Academy Finance Managers, Business Managers and others to prepare a draft annual trust budget. Each academy's budget must be submitted to Trust FC to be recommended for approval by the Trust.

The CEO is responsible for presenting (in conjunction with the COO) the consolidated budget to the Board of Trustees for approval.

4.7 The approved consolidated budget must be submitted to the DfE by the 31 July each year, and the FC is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met. The Local Governing Bodies must have recommended their Academy budget by the 31 May each year.

4.8 The annual budget will reflect the best estimate of the resources available to the Trust and its academies 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.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate ESFA grant receivable or other factors determining grant in 6th form, Nursery and other facilities;
- review of other income sources available to the Trust and its academies;
- review of past performance against budgets to promote an understanding of the Trust and Academy cost base;
- identification of potential efficiency savings;
- use of funds and reserves;
- 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; and

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

4.9 The Trust and each Academy should set a balanced budget, considering the current level of reserves, medium term projections and the need to invest to meet the longer-term business plan. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings 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 – Academy/Federation Level***

4.10 Once the different options and scenarios have been considered, a draft budget should be prepared by the Academy Business Manager / Academy Finance Officer for consideration by the Headteacher/Principal, the Trust FC, and the Finance, Audit and Resources Committee. This will be submitted to the Trust for approval. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints and freedoms.

4.11 Budgets should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, remedial action can be taken. The budget should be a working document which may need revising throughout the year as circumstances change. The budget will normally be updated in the autumn term and submitted to the Trust for approval in January

### ***Monitoring and Review***

4.12 Individual academy monthly management accounts will be submitted by the Central Finance Team to each academy's Business Manager/Finance Officer on or before the 15th of the following month.

4.13 Monthly management accounts sent to the individual academies will detail actual income and expenditure against budget for budget holders and at a summary level for the CEO, Headteachers/Principals, COO, Local Governing Body, Finance, Audit and Resources Committee and the Board of Trustees.



4.14 The Academy management accounts sent by the Central Finance team will include for each line of income and expenditure:

- current budget;
- expenditure to date;
- expenditure to date expressed as a percentage of the current budget;
- an outturn projection;
- a variance between outturn and current budget;

4.15 On receipt of the monthly management accounts the Academy Business Managers/Finance Officers promptly add commentary to the reports to enable the head teacher and LGB to understand any significant variances when they review the accounts so they can implement any required change.

4.16 In addition to the reports from the PS Financials system, additional spreadsheets and analysis by the Headteacher/Principal, Academy Business Manager / Academy Finance Officer will be used to assist in the monitoring of the budget and decision-making process.

4.17 The Headteacher/Principal should discuss any potential overspend against the budget with the Academy Business Manager / Academy Finance officer to establish the potential impact for the current year.

4.18 The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated, and action taken locally where appropriate.

4.19 Monthly group management accounts will be circulated to all Trust Finance, Audit and Resources Committee members monthly via Governor Hub. This will be available within 20 working days after the end of the accounting period (last day of the calendar month).

## **5 Payroll**

5.1 The main elements of the payroll system are staff appointments and resignations and Payroll administration / payments.

### ***Staff Appointments***

5.2 As part of the annual budget process, the Trust Board will approve a staff establishment for the both the trust and academies as part of the budget approval process.

5.3 Changes (e.g. the addition of permanent full-time posts) can only be made to this establishment with the express approval of the Headteacher/Principal and the Local Governing Body.

5.4 Any vacancy can only be filled following sign-off by the Headteacher/Principal of the Academy acting in accordance with the Scheme of Delegation and within the authorised establishment (the Trust is responsible for Headteacher/Principal vacancies working with the LGB). This sign-off includes confirmation that consideration has been given to alternative approaches before a post is advertised.

5.5 The Headteacher/Principal is responsible for maintaining personnel files for all members of staff which include contracts of employment.

5.6 The process in respect of appointment of a new Headteacher/Principal will be managed by the Trust and the Trust will also maintain the personnel file for the Headteachers/Principals. Any changes to the terms and conditions of a Headteacher / Principal will be approved by the CEO.

5.7 Any adjustments to pay/benefits outside the Pay Policy set by Trustees must be approved by the CEO. This will include any termination settlement (5.10)

5.8 Trustees in conjunction with the CEO will approve all appointments to the senior leadership team of the Trust.

### ***Payroll Administration and Payments***

5.9 Payroll is currently outsourced Orovio and the approval of the Trust Finance, Audit and Resources Committee is needed to change any such arrangements. Appropriate passwords and other systems controls are in place as set out in the agreement with Orovio. Procedures for operating the payroll and HR system are included in the Payroll/HR Systems manual.

5.10 The Trust has agreed Pay Policies. Any variations from these must be approved by the Trust on recommendation from the CEO.

5.11 The monthly payroll must be checked by the Academy Business Manager / Academy Finance Officer and approved by the Headteacher or Business Manager (secondary school) prior to payments being made (the Trust CEO/COO/Head of Operations may also authorise

the payroll for any academy or the Trust overall). As part of this review the Academy Business Manager / Academy Finance Manager / Trust Business Manager should:

- prepare and sign a reconciliation between the current month's and the previous month's gross salary payments showing adjustments made for new appointments, resignations, pay increases etc;
- all staff salary payments are reconciled to the budget allocated and actual generated by Orovia; and
- on an annual basis the Academy Business Manager / Academy Finance Manager must check for each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file in the Headteacher /Principal's office. The COO completes this function for central Trust staff.

Central Finance will review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify and clear any amounts posted to the suspense account.

5.12 Any payments or settlement agreements in relation to the termination of employment contracts must be approved by the Trust following confirmation by the CEO. Trust approval is given by the Chair of the Trust and the Chair of the Personnel committee.

## **6 Procurement**

6.1 The Trust wants to achieve the best value for money from all its purchases. This means getting goods at the correct quality, quantity and time at the best price possible. A large proportion of purchases will be paid for with public funds and there is a need to maintain the integrity of 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 Trust;
- Accountability - the Trust is publicly accountable for its expenditure and the conduct of its affairs;
- Fairness - that all those dealt with by the Trust are dealt with on a fair and equitable basis.

It is particularly important in the case of the Trust that any tenders where a Trustee or Officer may have a conflict of interest are managed with utmost probity, with declarations made to the relevant people.

6.2 Transactions with connected parties, including with directors or governors, should be at cost and not include a profit element, and be declared.

### ***Routine Purchasing***

6.3 It is the responsibility of the budget holder to manage the budget, working with the Academy Business Manager / Academy Finance Manager, and to ensure that any expenditure is consistent with the objectives of the academy.

6.4 Appropriate authorisation limits are reviewed annually and approved by the Trust's Board (see Appendix 1).

6.5 It is necessary to take the principles of best value into account at all times although this is not necessarily the lowest cost. An explanation will need to be provided when the lowest cost quotation or tender is not accepted.

6.6 The procurement policy is outlined in Appendix 2.

6.7 Any IT purchases over £2,500, including IT packages, need to be approved by the COO.

6.8 Any expenditure which appears to be of a contentious or novel nature should be referred to the COO for approval (if below £10,000) or the CEO (if above £10,000). A definition of such expenditure is that which might attract public attention. Examples of what could be novel and contentious would include bonus or ex-gratia payments for staff, contributions to charities, and payments to family or friends of staff.

***Forms of Tenders***

6.9 Details of forms of tenders and how to run a tender process are included in Appendix 2.

***Credit Cards and Purchasing Cards***

6.10 The company credit card procedure is detailed in Appendix 5.

## **7 Income**

7.1 The main sources of income for the Trust are the

- General Annual Grant (GAG) - monthly payments from the ESFA to maintain the day to day running of each academy
- School Condition Allocation (SCA) funds received from the DfE to ensure academies remain 'safe, warm and dry'.
- Devolved Formula Capital (DFC) funds received from the DfE for each individual academy to maintain their buildings and fund small-scale capital projects

Receipt for of these sums is monitored by the Academy Business Manager / Finance Officer (responsible for ensuring all grants due to the Academy are collected) and by the FC (responsible for ensuring that all grants due to the Trust are collected).

7.2 Other Grant funding is received from sources such as the local county and borough councils for a variety of purposes including SEN funding.

7.3 The Trust also obtains income from:

- students, for example trips, activities, uniforms, school dinners
- the public, mainly for sports lettings
- Local Authority
- local charities

### ***Trips***

7.4 All academies must use the Norfolk County Council Evolve system for risk assessing trips. A designated staff member must be appointed for each trip to take responsibility for the trip including the collection of sums due. The appointment must be approved by the Academy Business Manager / Academy Finance Officer

The designated lead teacher will be responsible for estimating the costs and arranging with the Academy Finance Officer to set the trip up on ParentMail and monitoring cash collection. A reconciliation should be produced with the help of the Academy Finance Officer/Business Manager to ensure the financial viability of each trip and to ascertain whether it should go ahead or not. At least annually a report should be made to the Local Governing Body of the financial outcome of all trips with explanations for surpluses and deficits.

Should a trip not run, or should it make a reasonable surplus, refunds may be made via ParentPay to parents, no payments are to be made by cash. If a cancellation is made, or non-attendance by a student refunds are at the discretion of the Academy Finance Officer/Business Manager, should the trip end in surplus once all expenditure met.

### **Lettings**

7.5 Letting and hire of the Trust facilities will be conducted in line with the Lettings Policy for each academy which includes a scale of charges, which will be reviewed annually.

7.6 With regards to Sports Lettings the Academy Business Manager / Academy Finance Manager is responsible for maintaining records of bookings of sports facilities and for identifying the sums due from each organisation. Payments must be made in advance for the use of facilities and sent directly to the Academy Finance Office. Income must be allocated within the correct financial year and notified to the Trust Finance Manager if outstanding at year end. All sales invoices are to be issued by the Central Finance Team on request. Individual academies do not raise sales invoices.

Details of organisations using the sports facilities should be recorded by the Academy Business Manager / Academy Finance Manager for the Finance Office to produce a sales invoice from the accounting system. Details of payments made, and outstanding accounts will be reviewed by the Academy Finance Officer at the beginning of each month who is responsible for chasing outstanding debts and ensuring no use is made of the facilities unless payment has been made.

7.7 No debts should be written off without the express approval of the CEO / COO.

### **Custody**

7.8 Official, pre-numbered Academy receipts should be issued for all cash and cheques received where no other formal documentation is in place. Monies collected should be held securely in the Academy Finance Office Safe and should be banked at least every week and reconciled promptly.

7.9 Academies are in process of going cashless once ParentMail application has been rolled out to all DNEAT sites. Once complete there will be no cash accepted by DNEAT academies.

## **8 Cash Management**

### ***Bank Accounts***

8.1 The opening of all accounts must be authorised and executed centrally by the Trust (as advised by the CEO and COO) who will set out, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signatories. All accounts will require at least two authorised signatories. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds will also be subject to the same level of control and will require at least two user's involvement. Academies are not permitted under any circumstances to open banking or savings accounts.

8.2 In order to manage the trust cash more productively DNEAT are in the process of moving all transactions to one central bank account and closing all individual academy accounts.

### ***Deposits***

8.2 ParentMail, an application based cashless payments system is currently being rolled out to all academies. Once this system is fully in place the academies will be cashless and funds will be deposited by parents/caregivers through this means. Where cash is still being paid in particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details should include:

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

### ***Payments and withdrawals***

8.4 Central Trust bank accounts must also be reconciled to the cash book monthly and signed by the Finance Manager within 5 working days of month end. The Trust Financial Controller should review the reconciliation and countersign, ensuring any adjustments are promptly resolved.

### ***Petty Cash Accounts***

8.5 Open Academy (secondary) are the only academy to maintain a petty cash balance (maximum balance £500) which is overseen by the Academy Finance Officer/Assistant.

8.6 The cash should be held in a locking cash box and held in the Finance office safe overnight. Personal cheques will not be cashed, nor will personal advances be allowed.

### ***Deposits***

8.7 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***

8.8 In the interests of security, petty cash payments will be limited as shown in Appendix I. Higher value payments should be made by BACS directly from the main bank account as a cash book payment. All payments must be supported by VAT invoices/receipts and must be signed for by the recipient.

### ***Administration***

8.9 The Petty Cash account will be reconciled monthly and all transactions recorded on the accounting systems monthly. Any cash shortages or surpluses should be notified to their designated Trust Finance Officer promptly.

### ***Cash Flow Forecasts***

8.10 The FC is responsible for preparing monthly cash flow forecasts for twelve months ahead to ensure that the trust has sufficient funds available to pay for day to day operations.

### ***Investments***

8.11 Investments will be centrally managed by the COO on behalf of the Trust in accordance with the Treasury Management Policy to be approved by the Trust.

8.12 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.

8.13 A Deposit account may be provided for the Academy and may be used for certain restricted funds. Investments are under review and centralisation being considered.

## **9 Fixed Assets**

9.1 All fixed asset additions, as identified in paragraph 9.3, must be approved by the CEO and COO.

9.2 All expenditure on IT equipment, IT infrastructure and related IT developments over £2,500 must be approved by the COO, who will liaise with the CEO to ensure that investment is consistent with the Trust's overall IT strategy. The Trust will use PS Assets to maintain its inventory and the fixed asset register for calculating depreciation will be maintained on a spreadsheet.

### **Asset register**

9.3 All items purchased with a value over the academy's capitalisation limit of £2,500 must be capitalised. Expenditure in excess of £400 may also be capitalised even though the individual asset price is below £2,500. Assets below this value of £2,500 will be charged to the income and expenditure in the year of purchase.

9.4 The purpose of the Asset Register is to:

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

9.5 All assets will be entered in the Asset Register that have:

- a value of over £500 or
- a value below £500 but considered 'attractive'.

9.6 The Asset Register should include the following information where available:

- Asset description
- Asset number
- Serial number (where available)
- Date of acquisition (where available)
- Asset cost (where available)
- Source of funding (% of original cost funded from ESFA grant and % funded from other sources)
- Expected useful economic life
- Depreciation (where applicable)

- Current book value (where applicable)
- Location

### **Security of Assets**

9.7 Stores and equipment must be secured by means of physical and other security devices.

Only authorised staff may access the stores – note: a “store” may be a lockable desk, cupboard or room.

9.8 All the items in the asset register should be permanently marked as either the Trust's or Academy's property and there should be a regular (at least annual) check. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, if it exceeds £1,000, reported to the Local Governing Body and the Trust COO. Inventories of Trust property should be kept up to date and reviewed regularly. Assets used but not owned by the trust or academy should also be recorded and reviewed regularly as part of the same review process.

### **Loan of Assets**

9.9 Items of Trust property, except staff and student laptops or tablets, must not be removed from academy or trust premises without the authority of the Headteacher/Principal or CEO accordingly. A record of the loan must be recorded in a loan book and recorded when returned.

9.10 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 of assets should therefore be kept under review and any potential benefits discussed with the Trust's auditors.

### **Disposals and Redundant Equipment**

9.11 The Local Governing Body has the authority to declare equipment, furniture and other assets and stores surplus to requirements and to make arrangements for their sale, provided the items concerned were purchased in whole or in part with grant from the DfE. Where originally funded by other donors, the LGB should consider whether they need to be consulted.

9.12 Items which are to be disposed of by sale or destruction must be authorised for disposal, and recorded on a disposals form, in accordance with the Finance Regulations in Appendix I and where the value is over £10,000 should be sold following competitive tender. The Trust must seek the approval of the ESFA in writing if it proposes to dispose of an asset for which capital grant of more than £20,000 was received.

9.13 Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the Trust obtained value for money in any sale or scrapping of equipment. In

addition, there are complications with the disposal of computer equipment, as the Trust would need to ensure licences for software programmes have been legally transferred to a new owner. Any disposals that are made need to be approved by the COO.

9.14 The Trust 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 Trust must repay to the ESFA a proportion of the sale proceeds.

9.15 All disposals of land must be agreed in advance with the Secretary of State and can only be undertaken by DNEAT Head Office with Trustees approval.

### **Leases**

9.16 The Trust can enter into operational leases as outlined in the Academies Financial Handbook.

9.17 Finance leases are classed as borrowings and can only be entered into with the specific authority of the ESFA.

9.18 All leases must be approved by the COO who will liaise with the Headteacher /Principal.

## **10 Depreciation**

10.1 The Trust will depreciate fixed assets in line with recognised accounting standards, best practice and DfE guidelines.

10.2 Depreciation rules will be approved by the board in advance of preparing the annual statements.

## **II Companies**

II.1 The Trust will not form any companies, subsidiaries or joint ventures without the express approval of the Board of Trustees.

## **12 Reserves and Investments**

12.1 The Trust will build and maintain a revenue reserve fund to provide flexibility and certainty in forward planning.

12.2 The Trust reserves policy is to hold revenue reserves equivalent to one month's GAG funding.

12.3 Academy revenue reserves are currently centrally and form part of the three-year budget planning calculations. Academies must seek approval from the COO to spend carry forward reserves.

12.4 In accordance with ESFA and charity accounting standards, the Trust will maintain financial records which identify revenue reserves by academy.

12.5 The Trust will build and maintain a capital reserve fund in line with the reserves approved by the Board from time to time.

12.6 Reserve funds will be held on deposit in an interest-bearing account in a UK regulated bank or in other instruments and investments as agreed from time to time by the Board.

12.7 The Trust will take a very prudent approach to any deposits or investments that it makes.

### **13 Charging and Remission**

13.1 The Trust will ensure that educational opportunities provided at the Trust during school hours are available to all students regardless of ability to pay and that other activities are charged for in a fair and transparent way. No student will be excluded from essential curriculum activities because of their parents' inability to pay.

The separate Charging and Remission Policy is designed to be consistent with the requirements relating to charging laid out in the Funding Agreement.

Academies may charge for some optional activities which take place wholly or mainly outside academy hours. The Trust may invite voluntary contributions for these from parents. Parents who wish to discuss financial matters can discuss them in confidence with the Headteacher/Principal.

In all cases, where a charge is made it will not exceed the costs of the provision.



## **14 Staff Travel and Expenses**

14.1 The Trust Staff may claim for reasonable expenses incurred to perform their duties or to repay them for items bought on behalf of the Trust. Reasonable expenses include:

- Travel by public transport;
- Use of own car and parking (excluding home to work travel);
- Unavoidable, or necessary, reasonable overnight accommodation; and
- Reimbursement for approved items bought on behalf of the Trust (This should be avoided wherever possible, with such purchase made direct by the Academy. Under no circumstances should purchases be made using store loyalty schemes such as Nectar or Clubcard points where the purchaser benefits).

Rates and allowances are laid out in the Travel and Expenses Policy (see Appendix 6) and are reviewed annually and is available from the Central Trust Finance Office.

14.2 Staff must submit no more than one expense claim form per month. This non-printable form is completed and emailed to the Academy Business Manager/Finance Officer for reviewing and administering the approval process as laid out in the Finance Regulations in Appendix I before emailing to the trust finance team for payment. All claims must be accompanied by receipts except for mileage claims.

14.3 Claims will be monitored to ensure compliance with this policy.

14.4 All staff claims will be entered on the staff ledger on PSF and payment made by BACS.

14.5 Under no circumstances should the purchase of alcohol be approved.

## **15 Trustees' and Governors' Expenses**

15.1 Directors and members of the Trust may claim for reasonable expenses incurred when acting on behalf of the Trust, in line with the Trust policy on Governors / Trustees Allowances. This policy describes what expenses are allowed, the process for making claims and the current rates.

Reasonable expenses will include:

- Attendance at meetings of the Trust board or Local Governing Body or their sub-committees;
- Meetings with authorities, regulators, auditors etc.;
- Meetings with members of staff or prospective staff connected with their official duties; and
- Other official meetings.

It is expected that Directors and members will wish to minimise the level of expenses claimed so that maximum resources can be applied to the core purposes of the Trust.

Directors and members may not claim for:

- Time spent working as a Director or Member;
- Loss of earnings;
- Food or refreshments (including alcohol); or
- Expenses regarding foreign travel other than as allowed below.

The level of expenses that can be claimed will be no higher than that used for staff in the Academies. Further guidance is provided in the Travel and Expenses Policy.

## **16 Tax**

16.1 The Trust will account for VAT strictly in compliance with the rules and regulations applicable at that time. It is the responsibility of the COO to ensure compliance with VAT regulations and submit VAT claims.

16.2 The COO will ensure that Corporation Tax returns are completed on time and in accordance with legislation.

16.3 Any payments to contractors and subcontractors are made in accordance with the Construction Industry Scheme.

## **17 Insurance**

17.1 The Trust reviews all risks annually to ensure the cover available and the sums insured are adequate. All Academies will take membership of the ESFA's Risk Protection Arrangement (RPA) Scheme and seek other insurances through the Trust's recommended broker except for minibuses, engineering equipment and foreign trips which is agreed to be procured locally.

17.2 The Trust and Academies will notify the insurers of any new risks or any other alterations affecting existing insurance.

17.3 The Trust and Academies will not give any indemnity to a third party.

17.4 The Trust and Academies will immediately advise the insurers of any accident, loss of other incident which may give rise to an insurance claim.

## **18 Bad Debts**

18.1 The procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable will follow this guidance.

18.2 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.

18.3 Income from lettings will be collected in accordance with the Lettings Policy.

18.4 All debts will be recorded, and non-payment will be followed up by issuing reminders at the following intervals:

- 3 weeks from date of account or due date if different - 1st reminder
- 6 weeks from date of account – 2nd reminder
- 8 weeks from date of account – final reminder

The final reminder is sent by recorded delivery and identifies appropriate legal action if the account is not settled within 14 days. After 10 weeks from the date of the account, where the debt is still outstanding, legal action may be considered, and the debtor will be informed of this in writing. The above is in addition to telephone calls and identifying implications of non-payment such as withdrawal of access to facilities.

18.5 The COO must be notified promptly of all bad debts and will decide whether to take legal action or propose a write off. If, after every effort has been made to collect the debt and legal action is considered impractical or has been unsuccessful, individual bad (irrecoverable) debts may be written off in accordance with Financial Authorisations in Appendix I and with the guidance provided in the Academies Financial Handbook. This includes the need to give 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 83 of Academy's Funding Agreement. This notice is required whether or not the circumstances require the Secretary of State for Education's approval. Once approval has been gained:

- Those debts below the value set out in the Annual Letter of Funding can then be approved and written off by the local Finance Audit and Resources Committee (and this must then be reported to the next meeting of the Local Governing Body and the Trust Board).
- Any proposed write off of a debt above the value set out in the Annual Letter of Funding require the prior written consent of the Secretary of State for Education in accordance with section 82 of Academy's Funding Agreement.

18.6 To ensure sound internal control, staff that raise invoices, will not have the authority to write off debts. The VAT element of any debt must not be written off, as this contravenes HM Revenue & Customs statutory requirements although the neither the Trust nor the Academies are currently required to be registered for VAT.

18.7 The Trust will retain a Bad Debt Write-Off Summary.

## **19 Monitoring Outcomes and Review**

19.1 Outcomes of this policy will be monitored and reviewed by regular internal checks and scrutiny by senior management including an annual review with Academy Business Manager / Academy Finance Managers and the COO.

19.2 Effectiveness of this policy and any associated procedures will also be monitored by the Finance, Audit and Resource Committee, supported by External Audit, including the Regularity Audit, and regular testing by Internal Audit. Audit results will be presented by regular written reports to the Finance, Audit and Resource Committee. Findings and recommendations will be used to revise this policy and associated procedures; this will be undertaken by referring any recommendations for changes to the Finance, Audit Resources Committee and feeding back to academies.

19.3 Key indicators of the success of this policy are:

- No inappropriate use of money
- Adherence to budgets
- Value for Money being demonstrated
- Expenditure targeted on key priority areas
- Timely reports to LGB, Board, DfE and others
- An unqualified opinion on the Trust accounts
- All or the majority of Internal Audits receiving favourable ratings
- Up to date, accurate records

## APPENDIX I: FINANCIAL AUTHORISATION LEVELS

✓ = Main authoriser, + = may also authorise

	Board of Trustees	Finance & Audit Committee	Chair of Trustees and CEO	CEO	COO	Local Governing Body	Head Teacher or Principal	Academy Business Manager	Academy Budget Holders	Trust Finance Manager	Panel
Approval of Annual Budget/ 3-year plan	✓										
Variations to budget heads (virements) over £50,000	n/a	+									
Variations to budget heads (virements) £10,000 to £50,000	n/a	+	+	+	+	✓					
Variations to budget heads (virements) up to £10,000	n/a	+	+	+	+	+	+	✓		✓	
Trust – authorise expenditure (either for academies or central company)											
All other matters not covered below	✓										
>£100,000	+	✓									
£10,000-£100,000	+	+	+	+	✓						
<£10,000	+	+	+	+	✓					✓	
Contracts > 12 months and over £300,000	+	✓									
Contracts > 12 months and under £300,000	+	+	+	+	✓						
Contracts < 12 months	+	+	+	+	✓						
Open Academy Authorise expenditure (in line with SOD)											
>£100,000	+	✓									
£50,000-£100,000 (notify FARC)	+	+	+	+	+	✓					
£25,000 - £50,000	+	+	+	+	+	+	✓				
£1,000-£25,000	+	+	+	+	+	+	+	✓		✓	
Authorise expenditure up to £1,000	+	+	+	+	+	+	+	✓	+	✓	

Contracts > 12 months and under £30,000	+	+	+	+	✓						
Contracts <12 months and under £30,000	+	+	+	+	+	+	+	✓			
	Board of Trustees	Finance & Audit Committee	Chair of Trustees and CEO	CEO	COO	Local Governing Body	Head Teacher or Principal	Academy Business Managers	Academy Budget Holders	Trust Finance Manager	Panel
Primary Academy Authorise expenditure											
>£100,000	+	✓									
£30,000-£100,000	+	+	+	✓							
£5,000-£30,000 (notify FARC)	+	+	+	+	+	✓					
£1,000 - £5,000	+	+	+	+	+	+	✓			✓	
Authorise expenditure up to £1,000	+	+	+	+	+	+	+	✓		✓	
Contracts > 12 months	+	+	+	+	✓						
Other Matters											
Authorise Petty Cash payments up to £150				✓	✓		✓	✓		✓	
Authorise appointment/ salary of permanent and temporary staff at Academy							✓				✓
Authorise appointment/ salary of permanent and temporary staff in central company except for CEO, COO, AID and AGEPS				✓							
Authorise appointment/ salary of Senior post holders (CEO, COO, AID, AGEPS and HT)	✓										
Authorisation of payroll				✓	✓		✓	✓		✓	
Advertising of tenders	+	+	+	+	✓						
Authorisation of disposal of assets over £5,000	+	+	+	+	✓						
Authorisation of disposal of assets under £5,000	+	+	+	+	✓					✓	





## **APPENDIX 2: PROCUREMENT POLICY**

### **Procurement Policy**

The Trust wants to achieve the best value for money from all our purchases. This means getting what is needed in the correct quality, quantity and time at the best price possible. A large proportion of purchases will be paid for with public funds and therefore there is a 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.
- Value for Money, the Academy shall aim for:
  - Economy, minimizing the cost having regard to appropriate quality
  - Efficiency, an appropriate relationship between outputs and costs
  - Effectiveness, the achievement of the intended outputs

### **Routine Purchasing**

Routine purchases up to £30,000 can be requested and are authorised as per the scheme of delegation. A quote or price must always be obtained before any order is placed, and for expenditure between £5,000 and £30,000 three quotes must be obtained. The need for three quotes is not needed if a public procurement framework is being used and the approval of the COO has been obtained, although it should be noted a mini competition may be required.

The Trust's list of approved suppliers includes all supplies on PS Financials. However, if the purchaser considers that better value for money can be obtained by ordering from a supplier not currently used by the Academy then this must be discussed and agreed with the Trust Financial Controller and a new supplier form request form completed with evidence of better value for money, or other reason, provided by the academy as to why the new supplier is required. The new supplier must be authorised by the Financial Controller.

## **Purchase Orders**

Purchase orders (PO) are required to be raised prior to the purchasing of all goods and services within the Trust with a value of more than £1,000. Purchase orders are required to be raised for the purchasing of all goods and services within the Trust (subject to the list of exceptions available from the FC) with a value of less than £1,000 although these can be raised retrospectively. Purchase orders are not needed for rates, utilities along with similar regular costs e.g. telephone and photocopiers where future invoice value is not known.

**Purchase Orders (PO) raised by Academy employees** – Paper PO forms are completed by the individual teachers / staff member. Once completed they acquire authorisation (signature on paper form) from the budget holder / line manager / Head Teacher. The authorised paper order form is then passed to the Academy Business Manager / Finance Officer / Finance Assistant to enter via the online PSF portal. The PO is then authorised online by either the Academy Business Manager/ Finance Officer (up to £1,000) or by the Academy Head Teacher (up to £5,000) and a unique PO number is generated in PSF. This PO form/number is emailed / given to the staff member to send to /quote to the supplier when placing the order and reminding the supplier to quote the PO number on the invoice. Adequate budgetary provision should exist for all PO's raised. No Academy employee is permitted to order goods and services without an authorised PO number generated by PSF (finance system).

**Purchase Orders (PO) raised by Head Office employees** – Paper PO forms are completed by the individual staff member. Once completed they acquire authorisation (signature on paper form) from the budget holder / line manager. The authorised paper order form is then passed to the Central Finance Team to enter via the online PSF portal. The PO is then authorised online by either the Financial Controller or COO and a unique PO number is generated in PSF. This PO form / number is emailed to the staff member to send to /quote to the supplier when placing the order and reminding the supplier to quote the PO number on the invoice. Adequate budgetary provision should exist for all PO's raised. Head Office employees are not permitted to order goods and services without an authorised PSF generated PO number.

**Goods / Services Received (Academy)** – staff ordering must make appropriate arrangements for the delivery of goods to the Academy. On receipt the staff member/Academy Finance Officer must check 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. Assuming the goods have been received or the service delivered to an acceptable standard the staff member needs to communicate this to the Academy Business Manager/Finance Officer to enable them to update

the status of that particular Purchase Order to GRN'ed (Goods Received Not Invoiced). This is completed on the PSF portal.

**Goods / Services Received (Head Office)** – Any staff ordering must make appropriate arrangements for the delivery of goods to head office. On receipt the staff member must check 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. Assuming the goods have been received or the service delivered to an acceptable standard the staff member needs to communicate this to the Central Finance team to enable them to update the status of that particular Purchase Order to GRN'ed (Goods Received Not Invoiced). This is completed on the PSF portal.

If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Academy Finance Officer will keep a central record of all goods returned to suppliers.

## **Invoices**

The trust does not accept hand-written invoices from suppliers.

All invoices apart from the notable exceptions (utilities, telephone, rates, photocopier) should be raised against a PO. The trust should now not be receiving invoices for any other orders that do not have a PO waiting to be matched against them. The FC is responsible for keeping an update list of those suppliers that do not need a Purchase Order.

All invoices raised on a PO should be sent to the Academy Finance Office in a timely manner. The Academy should then ensure that goods have been received and if so the status of the order has been changed to GRN. These invoices are then scanned and sent promptly to the central finance team for matching to the PO in PSF.

All utility, photocopier, rates, telecommunication invoices should be sent directly from the supplier to the central finance team and not to the individual academy.

**Payment terms for Suppliers** – Payment terms for suppliers of goods and services to the Trust are strictly 30 days regardless of whether new or existing suppliers.

**Payment of Invoices** – Two supplier payment runs are processed through BACS each month, one around the 15th of the month and the other at the end of the month. All invoices due for payment that are not on dispute are released for payment. Payment runs are uploaded to the Barclays.net platform by the Central Finance Team. Payments are authorised by either the Trust Financial Controller or COO.

## **Quotations (Purchases)**

At least three written quotations should be obtained for all orders between £5,000 and £30,000 to identify the best source of the goods/services. All quotations obtained should be filed and retained by budget holders for audit purposes. Telephone or web-based quotes are acceptable if these are evidenced by either a fax, screen print or an emailed confirmation of the quotes has been received before a purchase decision is made.

## **Tenders (Purchases)**

All goods/services ordered with a value over £30,000, or for a series of contracts which in total exceed £30,000 must be subject to formal tendering procedures, and where over £30,000 approval for primary academies by the Trust. Separate arrangements apply for the Open Academy per the Financial delegation. Competitive tendering can be considered below this figure, in the interests of best value. Purchases over this figure may fall under UK procurement rules (Find a Tender Services) . Guidance on the thresholds can be found at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/850566/PPN\\_for\\_New\\_Thresholds\\_2020\\_pdf.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/850566/PPN_for_New_Thresholds_2020_pdf.pdf)

The following categories of expenditure do not require purchase orders, provided steps have been taken to demonstrate financial control and value for money:

- Telephone
- Photocopying
- Energy and other utilities

### **Forms of Tenders**

All purchases over £30,000

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 COO how best to advertise for supplier's e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

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

- there is a need to maintain a balance between the contract value and administrative costs,
- a large number of suppliers would come forward or because the nature of the goods is 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.

The tendering method must be agreed in advance with the COO and CEO.

### ***Preparation for Tender***

Full consideration should be given to:

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

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

### ***Invitation to Tender***

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

An invitation to tender should include the following:

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- explanation of how the tenders will be evaluated;
- terms and conditions of tender and form of response.

### ***Aspects to Consider***

#### ***Financial***

- Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision.

- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation?

#### *Technical/Suitability*

##### Qualifications of the contractor;

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

#### *Other Considerations*

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

#### ***Tender Acceptance Procedures***

The invitation to tender should state the date and time by which the completed tender document should be received by the academy or trust. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in the Finance Office prior to tender opening. Tenders received after the submission deadline should not normally be accepted and must be approved by the CEO.

#### ***Tender Opening Procedures***

All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders over £30,000 one of whom should be the CEO or COO.

A separate record should be established to record:

- the nature of the goods or materials to be supplied or the works or services to be provided;
- the name of each supplier or sub-contractor quoting/tendering;
- the date and time of receipt of each quotation/tender;
- the date and time of opening of the quotations/tenders;
- the amount of each quotation/tender;
- evaluation criteria and results;

- the name of the people in attendance at the opening of the quotations/tenders. This record must be signed by two people present at the tender opening.

### ***Tendering Procedures***

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

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

Full records should be kept of all criteria used for evaluation and for academy contracts over £30,000 a report should be prepared for the LGB Resources Committee highlighting the relevant issues and recommending a decision. For Trust contracts over £30,000 this report should be prepared for the Finance, Audit and Resources Committee.

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

The accepted tender should be the one that scores most highly when assessed against the evaluation criteria. All parties should then be informed of the decision.

## **APPENDIX 3: ROLES AND RESPONSIBILITIES OF THE TRUST BOARD, HEADTEACHER AND ACADEMY BUSINESS MANAGER**

The Trust Board will:

- ensure proper stewardship of academy funds through economy, efficiency and effectiveness in their use. Discretion should be used reasonably and consider all relevant guidance on accountability and propriety;
- familiarise themselves with this policy, their roles & responsibilities and the way the academies are funded;
- annually agree and record in writing the Finance Policy including the roles and responsibilities of The Trust Board, Headteacher/Principal and Accounting Officer and Chief Operating Officer;
- annually consider and approve the academies' budget, ensuring that a copy is attached to the minutes of the meeting;
- submit the approved budget to the ESFA (Education and Skills Funding Agency) within the specified timescale;



- annually consider and approve the academies' original and revised financial plans, taking appropriate steps to ensure the academies' budget does not overspend and contact the ESFA and seek prior approval to overspend;
- authorise the academies' applications for loans/leases from the ESFA and seek advice where appropriate;
- satisfy itself that the Trust Board and Headteacher/Principal and Accounting Officer are fulfilling their responsibilities as set out in this policy document;
- record in writing the transaction / process authorisation limits, relating to the academies' financial system for relevant members of staff;
- agree the academies' virement policy, setting a limit up to which the Headteacher/Principal can move funds between the currently approved budgets without seeking the Board of Trustees prior approval;
- establish the Trust's charging policy and review this on an annual basis;
- appoint a registered statutory auditor;
- review and approve the Annual Report and Financial Statements that have been compiled on their behalf, including approving the accounting policies and any significant judgements;
- ensure that the Trust's funds and bursary fund are audited annually with signed documentation for submission within timescale;
- review the financial training needs of governors, the Headteacher/Principal and staff on annual basis and fund training needs, as appropriate;
- ensure that the Trust's and Academy's Register of Business Interests and Conflict of Interests is kept up-to-date;
- ensure the Trust and its academies comply with all aspects of the Academies Finance Handbook, Charity Commission Regulations and Financial Management & Governance Evaluation (FMGE) or equivalent where appropriate;
- ensure that the academies comply with guidance relating to Extended Schools and that the academy does not subsidise extended school activities from the academies' main budget share;
- review detailed budget monitoring reports each term, ensuring that copies are attached to the minutes;
- produce a timetable of meetings annually their key purpose outlined in agendas published in advance;
- ensure that any additional fund allocations are fully utilised in line with regulations
- use management information, to challenge the way in which the academies use their financial resources;
- ensure that the academies obtain value for money and produces a Best Value statement to adhere to;
- report to the local governing bodies of each academy at least annually;
- ensure that audit recommendations are implemented within a reasonable timescale

- ensure that the academies have a list of certifying officers for signing cheques, certifying employee claims, etc., and review this on an annual basis.

The Headteacher will for each academy:

- ensure they are familiar with this policy document and their role and responsibilities
- ensure that the finance policy is disseminated to all relevant staff
- draft budget papers;
- draft original and revised finance plans;
- ensure that Action Plan priorities are properly costed and linked to the academy budget and finance plan;
- monitor the budget monthly;
- oversee the day-to-day running of the academy financial administration and ensure that regular monitoring and reconciliations are actioned;
- ensure that proper checks and controls are in place to cover day-to-day activities. (Advice on internal checks and controls sought from COO);
- ensure there is a functional Purchase Order (PO) system operating within the academy for all purchases (apart from those purchased on the academy credit card);
- promptly authorise transactions / processes within the academy's financial system up to limits agreed by the Trust, this could include the release of purchase orders, posting of special payments vouchers, releasing orders that have been blocked for payment;
- act as an authorised signatory for the purposes of signing cheques, certifying employee claims, etc.;
- review reconciliations and returns on a regular basis and initial documents as evidence that such checks have been carried out;
- ensure that the school fund/bursary fund records are kept up-to-date within the main accounting records;
- provide at each LGB or Trust meeting a list of any honorarium payments made, the amount and reason for the payment;
- ensure that any budgets that are delegated to senior staff or departments operate within a similar control regime, i.e., regarding budget monitoring and reporting, etc.

The Academy Business Manager will for each academy:

- use the PSF Purchasing portal to raise orders for all goods and services purchased by the academy (apart from those purchased using the academy credit card);
- use such programmes as specified by the Trust for agreed financial activities, for example, the ParentMail and PS Connect;
- ensure purchase invoices for the prior month are emailed to the Central Finance Team within the specified time;

- review staff expenses to ensure completeness of information and authorisation in line with trust requirements and submitting these by the date requested by the trust to ensure staff are reimbursed in a timely manner;
- ensure credit card statements are returned to central finance with completed spreadsheet, authorisation forms and receipts in specified time;
- Work together with the Head Teacher to compile a sustainable annual budget in BP Orovio (budget software);
- review monthly management accounts adding commentary to explain significant variances (under or over);
- review management accounts with the Head Teacher on a regular basis so as to assist the Head Teacher in understanding any variance to the budget.
- contact the nominated Central Finance Officer in the Trust's Finance Team with concerns or queries regarding financial administration;
- ensure that purchase orders are raised, prior to ordering goods / services, to aid effective budget monitoring and management;
- ensure that PS Assets is used to record academy assets and that an annual audit is completed
- respond promptly to requests from the Central Finance Team for documentation/information required for the annual audit;

## **1. TRAINING**

The Trust Board recognise the importance of financial training for governors and staff in helping them to fulfil their responsibilities in relation to the financial management of the academy. The training needs of all governors and staff will be reviewed each year. Appropriate budgetary provision will be made, where necessary, and governors and staff will be actively encouraged to undertake that training.

## **2. BUDGET SETTING**

The Board of Trustees recognise the importance of setting a detailed budget at the start of the year.

The Headteacher/Principal working closely with the Academy Business Manager/Finance Officer will draft a detailed budget for each line of income and expenditure, Trust's and for the Trust Board's consideration. The Headteacher/Principal will include options for increased spending, as set out in each Academy Action Plan, and options for cost-cutting measures, where appropriate.

The Headteacher/Principal working closely with the Academy Business Manager/Finance Officer will prepare an indicative budget for the coming financial year (1 September to 31 August) to be submitted to DFE by the Trust within specified timescales.

### **3. BUDGET MONITORING**

The Board of Trustees recognises the importance of regular budget monitoring in helping to detect accounting errors and identify, as early as possible, potential under and overspendings.

The Headteacher/Principal or Academy Finance Manager will monitor the budgets monthly by reviewing printouts from the academy's financial system for:

- errors;
- miscoding's;
- large or unusual items;
- potential underspending or overspendings against budget; and
- act promptly, where appropriate.

### **4. FINANCIAL ADMINISTRATION**

The Trust Board recognises the importance of proper financial administration to safeguard against inappropriate use of academy funds.

The Headteacher/Principal working closely with the Academy Finance Manager will monitor the financial administration functions ensuring that:

- Purchase Orders (PO's) are raised & authorised prior to all goods and services being purchased on behalf of the academy (except where purchased using the academy's credit card)
- credit card expenditure request forms are completed and authorised by budget holder/ Head Teacher prior to goods and services being purchased on behalf of the academy.
- employees follow trust guidelines regarding expenses reclaimed via the staff expense forms

### **5. REPORTING**

The Board of Trustees recognise the importance of receiving detailed, accurate and up-to-date financial information to enable it to oversee and control the financial position of the academy.

The Headteacher/Principal or Academy Finance Manager will prepare budget-monitoring reports for consideration by the Trust Board.

The reports will include for each line of income and expenditure:

- the original budget;
- changes to the budget;
- current budget;
- expenditure
- expenditure expressed as a percentage of the current budget;

- an outturn projection;
- a variance between outturn and current budget;
- an explanation for all YTD variances exceeding the greater of 5% or £2,000 in value ;
- details of proposals for additional spending or cost-cutting measures.

In addition to the reports in PS Financials, additional spreadsheets and analysis by the Headteacher and Finance Manager will be used to assist in the monitoring of the budget and decision-making process.

## **6. FINANCIAL PLANNING**

The Board of Trustees recognises the importance of financial planning beyond the current year.

The Headteacher/Principal or Finance Manager will prepare financial plans covering the next three years. The plans will show the projected numbers on each roll and the impact this has on each academy's budget share, expenditure and carry forward.

The plan will include contingency plans, setting out proposals for dealing with variations including changes in the projected numbers on roll and future funding.

## **7. INTERNAL AUDIT**

The Board of Trustees recognises the importance of an audit regime in assessing the adequacy of the academy's financial controls.

Auditors will be given access to staff, all relevant records and property, as the auditors consider necessary.

The Headteacher/Principal will ensure that audit recommendations are implemented as soon as possible.

The Headteacher/Principal will ensure they are familiar with the Financial Procedures and Academies Finance Handbook, which provide guidance on best practice, internal controls and statutory requirements.

## **APPENDIX 4: RECORD OF ACCEPTANCE OF FINANCE AND RISK MANAGEMENT POLICY**

Academic Year	20 / 20
Name of academy / federation	
<p>I confirm that we have:</p> <ul style="list-style-type: none"> <li>• adopted these policies in our academy (including adoption by the local governing body);</li> <li>• familiarised ourselves with these policy documents and our role and responsibilities outlined within it;</li> <li>• ensured that these policies are disseminated to all relevant staff;</li> <li>• Identified and notified central finance any training needs for risk management or other areas; and</li> <li>• agree to operate in line with the finance policy at our academy.</li> </ul>	
Headteacher / Principal Signature	
Business Manager / Finance Officer Signature	
Date signed	

## APPENDIX 5: COMPANY CREDIT CARDS

### Company Credit Cards

DNEAT makes a limited number of corporate credit cards available for officers and Headteachers/Principals; the financial limit on each card is currently £1,500 (for Open Academy £4,500). This level will be reviewed regularly by the Trust Financial Controller. Each request for a corporate credit card is assessed on an individual basis and will be approved only by the Trust Financial Controller. Expenses incurred by holders of corporate credit cards are reviewed monthly to ensure that the individual still is eligible for a card for business use.

Under normal circumstances, a card is only issued to a permanent member of staff who has successfully completed their probationary period of employment.

Expenditure incurred using a corporate credit card must be in accordance with the expenses policy which prohibits private expenses. Note: Company credit card can be used for other purchases) e.g. stationery, IT, office expenditure).

If you are issued with a corporate credit card, you must comply with the conditions of use. If your working circumstances change or the conditions of use are not adhered to, the card will be withdrawn.

***Under no circumstances should a corporate credit card be used for personal expenditure. Instances where this has occurred will be dealt with under the DNEAT staff disciplinary procedure.***

Upon cessation of your employment with the Diocese, your credit card must immediately be returned to the COO at Diocesan House.

To enable efficient administration of expenses the following procedures are to be adhered to by all holders of a DNEAT Company Credit Card.

The following procedure should be carried out for all credit card transactions made by persons who are both credit card holders and budget holders.

The credit card expenditure form (CCEF) is available to print off from the DNEAT website

## **Procedure for Purchasing and Payment of items using the Trust Corporate Credit card**

### Supplies, services or expenses requested

Part 1 of the CCEF must be completed by the purchaser providing the necessary information about whom the purchase has been requested by or for, the reason for the purchase and evidence that the best price has been achieved.

Authorisation Part 2 of the CCEF must be completed by the budget holder responsible for the account code to which the purchase is to be charged. This will ensure that the budget holder can maintain control of purchases charged to their codes and must be done **PRIOR** to the purchase actually being made.

For purchases over the value of £400, where you are the budget holder and the purchaser, it will be necessary for you to obtain a counter signature.

### Purchase

The process used for purchases using the credit card is the same as for any other purchase – i.e. based on the order authorisation process (**authorisation is always required prior to purchasing**) – the credit card is simply the payment method. Once authorisation has been obtained from the budget holder the purchase can then take place. All supporting receipts and documentation must be attached to the form. If the credit card holder is not responsible for the budget to which the purchase is being charged, then the cardholder must see the supporting documentation authorised by the budget holder.

### Completion

Following the purchase, completed forms must be scanned with the receipts together in one scan and send the credit card excel spreadsheet which lists the costs incurred in that month to central finance.

The Cardholder should check and sign each monthly statement to confirm all expenses were wholly incurred carrying out duties for the DNEAT.

Should you have any queries relating to credit card purchases and payments please contact the Trust COO at Diocesan House.

## **Credit Cards**

1. The Central Finance Team send Barclaycard summary sheets for each card to academies along with an specific excel sheet to be populated



- The academies must send these back completed within the timelines specified along with supporting documentation as specified.

## Diocese of Norwich Education and Academies Trust

### CREDIT CARD EXPENDITURE FORM

To: Finance Officer/Business Manager

<i>Part 1 – Transaction Details (completed by purchaser)</i>			
* Purchases must be authorised and coded before completing transaction			
Supplier Name:		Purchaser:	
Total Cost (inc VAT):		Signed:	
Academy Department:		Date:	
Product:		Evidence of Best Price Attached:	
		Calculations and Additions Checked:	
Reason for Purchase:			
<i>Part 2 – Authorisation (completed by budget holder)</i>			
Account Code:	Cost Centre:		
Name:			
Signed:			
Date:			
<i>Part 3 Supporting documentation attached:</i>		Y/N	

Details (i.e. receipts, booking or order confirmation):		
<b>For Office use only</b>	Initials	Date
Matched to Credit Card Statement		

### *Notes*

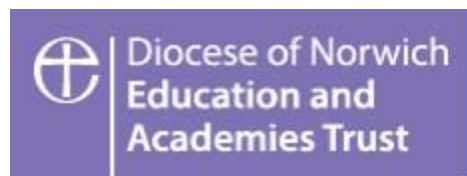
*Part 1* must be completed by the purchaser and will provide the necessary information about who the purchase has been requested by or for, the reason for the purchase and evidence that the best price has been achieved.

*Part 2* must be completed by the budget holder responsible for the account code to which the purchase is to be charged to. This will ensure that the budget holder can maintain control of purchases charged to their codes and must be done prior to the purchase actually being made.

*Part 3* Once authorisation has been obtained from the budget holder, the purchase can then take place and supporting documentation to evidence the purchase such as receipts/booking/order confirmation must be attached.

Completed forms along with supporting documentation (receipt or invoice) must then be given to the Academies Finance Officer/Business Manager, as soon as possible after the transaction has been completed. This allows them to match Purchases to relevant transactions on the company credit card statement sent each month by the Central Finance Team.

## APPENDIX 6: EMPLOYEE EXPENSES POLICY



# Employee Expenses Policy

<b>Policy Type:</b>	<b>Trust Policy</b>
<b>Approved By:</b>	<b>Finance, Audit and Resources Committee</b>
<b>Approval Date:</b>	<b>September 2021</b>
<b>Review Date:</b>	<b>September 2024</b>
<b>Person Responsible:</b>	<b>Chief Operating Officer</b>

## Summary of Changes

This policy has been revised to reflect these changes to the statutory guidance as outlined below.

Page Ref.	Section	Amendment	Date of Change
		Typographical changes only	Sept 21

## **1. Scope**

This document applies to all Diocese of Norwich Education and Academies Trust (DNEAT) employees.

## **2. Headteacher/Manager responsibilities**

- Authorising the most carbon efficient and economic method for attendance at meetings and other events.
- Making sure other options are used as an alternative to travel for business purposes where possible.
- Checking claims are in accordance with this policy.
- Checking employee driving licences are valid before authorising business travel.
- Making sure all reasonable adjustments or supportive measures are considered to allow equality of access and opportunity regardless of age, gender, ethnicity, sexual orientation, disability, faith or religion, gender identity, pregnancy or marital status.

## **3. Employee responsibilities**

- Using an alternative to travel for business where one exists.
- Making sure the option they select is the most carbon efficient and economic.
- Making sure claim forms are completed in accordance with this policy.
- Making sure they do not claim mileage for travel from home to work and work to home.
- Making sure their vehicle is roadworthy and has required documentation (business travel insurance, MOT and tax).
- Driving within the law.

## **4. Introduction to business travel**

Business travel is a necessary part of the way we work. That doesn't mean we shouldn't challenge ourselves to reduce the cost and impact it creates by considering things like the need, frequency and mode of travel. The simplest way to cut travel costs is to avoid it altogether by making better use of technology to connect us to clients and colleagues. Before business travel is undertaken, it is important to establish if the journey is necessary. Traditionally meetings have been done face to face, but the possibilities presented through growth in social media, have enabled online face-to-face experiences.

## 5. General principles

- Employees should only make business journeys when absolutely necessary. Other options which are more efficient and cost effective should always be considered before travel is undertaken.
- Employees whose post requires them to travel are responsible for their travel arrangements and these must be carried out in the most effective and efficient way to perform the job. DNEAT will support necessary business travel, including reimbursement of costs arising from the use of employees' own vehicles and the provision of other support.
- Mileage payments will be made within Her Majesty's Revenue and Customs guidelines.
- Employees are responsible for their own travel to and from work and must deduct this mileage from any claims.

## 6. Travel and related claims

### 6.1 Mileage Payments

Employees who use their own car, van, or motorcycle for official DNEAT work are entitled to be reimbursed in accordance with Her Majesty's Customs and Revenue (HMRC) approved mileage rates.

Where there are changes to the HMRC rates, these will be applied to DNEAT.

Where more than one employee makes the same or a similar journey, they should travel together. In addition to mileage rates, employees who take passengers can claim a passenger mileage payment per passenger per mile if the passenger is an employee of DNEAT on the same DNEAT business. Where the passenger does not start or finish their journey at the same time as the driver, the driver can claim for the number of miles that the passenger travelled with them.

Employees and managers must ensure that all claims are made in accordance with the guidance on these definitions. Clarification can be obtained from DNEAT finance [finance@rneat.org](mailto:finance@rneat.org)

Normally mileage claims will be paid only for journeys which start and end at school or from home to the destination, whichever is the shorter distance. If travelling directly from or to home the normal mileage which would have been travelled from home to school should be deducted from the total mileage claim for the journey.

The current rate of car mileage reimbursement is 45.0p per mile if you claim less than 10,000 miles a year, and 25.0p for every mile over. For bike mileage it is 24.0p for motorbikes and 20.0p for bicycles.

## **6.2 Rail Travel**

Employees should use the most cost-effective travel arrangements and make use of off peak or other reduced rates where possible. First class travel is occasionally cheaper than the standard fare, but otherwise first class may only be used if:

- the timing of a journey would make it impossible to work effectively, e.g. peak holiday periods, or
- standard class accommodation is full.

The Chief Operating Officer must approve any First-Class travel before it is booked.

## **6.3 Bus fares and parking expenses**

Bus fares and car-parking charges incurred on DNEAT business may be reclaimed. DNEAT will not, under any circumstances, reimburse parking or speeding fines.

## **6.4 Subsistence (food and drink)**

Employees are normally responsible for their own food and drinks during the working day and are not normally entitled to claim a subsistence allowance.

Subsistence allowances cannot be claimed simply because an employee is away from base at a mealtime.

Subsistence can be claimed in exceptional circumstances where it would be unreasonable to expect the employee to pay for their meal, and the employee is unavoidably put to exceptional expense – for example:

- Attending a conference or training event when the employee is required to purchase a meal at the event.
- Attending an event that necessitates an overnight stay where meals are not included.

An employee cannot claim subsistence for:

- being away from their base during the normal working day

- breakfast when leaving home early or tea or supper when returning home late, for example, for a visit out of County.

Employees should agree with their manager before expenditure is incurred.

Expenditure will only be reimbursed if receipts are submitted with the claim.

Alcohol will not be reimbursed in any circumstances. A VAT receipt is required for all expenses claimed.

## **6.5 Accommodation**

Overnight stays must be approved in advance by the Headteacher or Manager. In some situations, particularly certain training courses, accommodation is provided as part of the package, so the employees do not need to claim. In other cases, the employee will be reimbursed the actual cost of bed and breakfast incurred, up to a limit of £100 unless approved by the Chief Operating Officer.

## **7. Out-of-pocket expenses**

Employees attending residential training courses, travelling abroad, escorting clients/pupils, attending conferences etc. can claim reimbursement where they have been put to exceptional expense. Wherever possible, approval for the expenditure should be agreed in advance and receipts should be submitted with claims

## **8. How to claim**

Employees should complete the *DNEAT Expenses Claim Form*, attaching relevant VAT receipts. Claims must be made monthly and deadlines are available from DNEAT finance. Late submissions will result in delayed payment due to the additional processing time needed. Only in very exceptional circumstances will a late payment be authorised.

Employees should note the terms of the declaration on the claim form. No one should make or approve a claim if the conditions explained in this policy have not been met. Breach of the policy intended to defraud, or which incur unnecessary and unapproved costs may be subject to disciplinary procedures.



## **9. Authorisation**

Responsibility for authorising business travel rests with the Headteacher or Line Manager. Employees should seek approval in advance for any unusual journeys where there may be any doubt about the legitimacy of the journey or the amount of mileage that can be claimed.

If employees choose to travel by car when it would be practical and/or cheaper to travel by train or other public transport the employee's claim should be limited to the equivalent of the public transport rate.

Headteacher's expenses must be approved by either the AGEP, Chair of LGB, Chief Executive Officer, or Chief Operating Officer.

The Chief Executive Officer's expenses are approved by the Chief Operating Officer.

The Chief Operating Officer's expenses are approved by the Chief Executive Officer.

## **11. Checking driving licences**

It is essential that procedures are in place to make sure driving licences of existing and prospective employees who need to travel are checked. The categories of staff affected by the annual licence check include:

- Employees who travel for work and use their own vehicle
- Employees who drive DNEAT vehicles regularly or occasionally.

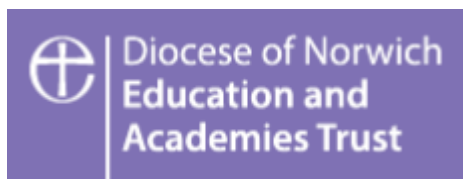
A record of the check of licences and the manager that checked them should be kept on personal files.

## **12. Insurance**

Employees who use their vehicle for work should make sure they have insurance to cover business travel. This is normally referred to as 'Business, Social and Domestic' cover by Insurance companies. The employee is responsible for making sure they are insured.



## APPENDIX 7: FINANCIAL PROBITY POLICY



# Financial Probity Policy

For distribution to all staff

<b>Policy Type:</b>	<b>Trust Core Policy</b>
<b>Approved By:</b>	<b>Board of Trustees (Finance, Audit and Resources Committee)</b>
<b>Approval Date:</b>	<b>8 February 2021</b>
<b>Review Date:</b>	<b>February 2024</b>
<b>Person Responsible:</b>	<b>Chief Operating Officer</b>

## Summary of Changes

Page Ref.	Section	Amendment	Date of Change
		No changes from previous agreed policy 8 February 2022. Policy included as part of finance policy for simplification	

## FINANCIAL PROBITY POLICY

### 1. Introduction

It is important that Members, Trustees, Governors and members of staff act, and are also seen to act, impartially.

The Members and the Board of Trustees of the Diocese of Norwich Education and Academies Trust (DNEAT) seek to run all aspects of the Trust's financial management and business activities with high standards of conduct and integrity.

DNEAT is committed to tackling fraud and other forms of malpractice and treats these issues seriously. It is recognised that some concerns may be extremely sensitive.

In the event that Members, Trustees, Governors, members of staff, parents or the community at large become aware of activities which give cause for concern, this Financial Probity Policy is provided as a reference document to establish a framework within which issues can be raised confidentially. The process allows for concerns to be raised within the Trust and academy environment, allows recourse to external parties outside the management structure of the Trust or academy where this becomes appropriate and provide for a thorough and appropriate investigation of the matter to bring it to a satisfactory conclusion.

In May 1996 the Nolan Committee published a report on standards in public life as applicable to local public spending bodies. The report identified the following seven principles that should be applied to public life:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

One important means by which DNEAT can demonstrate that it is applying these principles is by maintaining a register of business and pecuniary interests.

The report also made a number of recommendations in relation to whistleblowing. The Nolan Committee used the term whistleblowing to mean the confidential raising of problems or concerns within an organisation by a member of staff. This is not "leaking" information but refers to matters of impropriety for example a breach of the law, Trust/Academy procedures or ethics. Nor is whistleblowing the raising of a grievance (which would be dealt with under the Staff grievance procedures). The term whistle blower denotes the person raising the concern or making the complaint.

Existing good practice within DNEAT in terms of its systems of internal controls, both financial and non-financial, and the external regulatory environment in which we operate, ensures that cases of suspected fraud or impropriety rarely occur.

This document is a public commitment that concerns are taken seriously and will be actioned.

## 2. **Guiding Principles**

The current version of the Academies Financial Handbook and our Finance Policy represent the context within which the academies working within DNEAT operate financially.

### 2.1 **Business and Pecuniary (monetary) Interests**

The Members, Trustees, Governors and members of staff have a responsibility to avoid any conflict between their business and personal interests and affairs and the interests of DNEAT.

The Trust and the academies within DNEAT maintain a register of business and pecuniary interests that lists for Members, Trustees, Governors and members of staff, any business interests that they, or any member of their immediate family have. The register has to be available for inspection by staff, parents, auditors and the Education Funding Agency (EFA).

The maintenance of the register helps DNEAT Members, Trustees, Governors and members of staff to meet requirements for withdrawal from meetings due to a conflict of personal interest as stated in the DfE Governance Handbook and with reference to the Academies Financial Handbook.

The register should include all:

**Business Interest declarations** including directorships, shareholdings and other appointments of influence within a business or other organisation that may have dealings with the academy / Trust. The disclosures should also include business interests of related persons such as parent, spouse, child, cohabitee and business partner where influence could be exerted by that person over a Member, Trustee, Governor or a member of staff.

and

**Pecuniary Interests (monetary)** such as providing supplies or services to the academy for staff other than their contracted job or within their role as member, trustee or governor.

Where a Member, Trustee, Governor or member of staff or related person has any interest, either pecuniary or non-pecuniary, in a matter to be discussed at a Members', Trust Board or Local Governing Body meeting the Member, Trustee, Governor or member of staff must declare their interest and withdraw from that part of the meeting.

Where a Member, Trustee, Governor, member of staff, or related person, has a pecuniary interest in a business, and that interest exceeds limits that may be specified in the Trust's Memorandum of Understanding or Articles of Association, the academy must not enter into any contract or arrangement (such as the purchase of goods and service) with that business. For example, an academy would not generally be permitted to trade with a company in whom a Member, Trustee, Governor or member of staff holds more than 1% of the share capital.

It is the responsibility of Members, Trustees, Governors and members of staff to ensure their declarations of business interests are kept up to date at all times, and to amend or update them as necessary.

All Members, Trustees and Governors meetings' agendas will contain a standing item for attendees to declare any changes to their declarations of interests.

At the beginning of each academic year every Member, Trustee, Governor and member of staff will be required to complete the appropriate form (see Appendix 1) and should ensure that it is updated throughout the year as and when any Business or Pecuniary interest may arise. Nil returns will also be required where a Member, Trustee, Governor or member of staff has no such interest.

Staff should also be aware, for their own and the academy's protection (whoever is appropriate in the case in question) to ensure that they let others know of any circumstances that they believe others could think might affect their judgement.

The Trust is required to record and publish business and pecuniary interests.

### 3. **Gifts and Hospitality**

Members, Trustees, Governors and members of staff should avoid accepting excessive hospitality, entertainment or other services from existing or prospective suppliers. They are required to inform the DNEAT Chief Operating Officer of offers, as detailed below, of gifts and hospitality offered in connection with their links with the academy or Trust as they arise, and whether the offer was accepted or declined (see declaration Appendix 2).

The acceptance of gifts and hospitality can potentially compromise Members, Trustees, Governors and members of staff. Great care should be taken in dealing with commercial organisations and the following guidance should be followed:

<b>Recommended limits Gifts, Hospitality, Entertainment or other services</b>	<b>Information on acceptance/referral/declaration</b>
Below £50 (occasional/one offs)	Deemed acceptable (see guidance below) Declaration not required
Below £50 (regular)	Advisory Band - please refer to DNEAT Chief Operating Officer as to whether declaration of offer to be registered
Between £50 and £250	Advisory Band - please refer to DNEAT Chief Operating Officer as to whether declaration of offer to be registered
Over £250	Declaration of offer to be registered whether accepted or declined
NB: Any gifts/ favours that are sustained or Members, Trustees Governors /staff have concerns about that may compromise their integrity should be documented.	

The following examples of gifts and favours are considered acceptable if given on an occasional basis:

- A modest business dinner to discuss business.
- Attendance at trade fairs or similar events where there is a general invitation to customers.
- Attendance at cultural or sporting events sponsored by the company concerned.
- Attendance at a company anniversary celebration.

The trust is required to publish information about Gifts and Hospitality declared and received.

#### **4. Anti-Fraud Policy and Procedures**

The anti-fraud Policy is required to ensure that the Trust is protected, to the best of its ability, against fraudulent activity which could result in financial losses and reputational risks.

##### **Aims**

- To avoid any fraudulent activity from both internal and external parties.
- Protect the Trusts resources.
- To provide a clear reporting process to all stakeholders when fraud is suspected.
- To meet EFA audit regulations.

##### **How**

- Staff training to identify how to avoid being subject to fraudulent activity.
- Robust financial control measures are in place to reduce fraudulent risk.
- Clear protocols and processes followed when any fraud is suspected.
- Communication to the wider staff on the use and purpose of the policy.

DNEAT is committed to the prevention of fraud and the promotion of an anti-fraud culture.

The Trust operates a zero-tolerance attitude to fraud and requires all staff, members, trustees, governors and volunteers to act honestly and with integrity at all times, and to report all reasonable suspicions of fraud.

DNEAT will investigate all instances of actual, attempted or suspected fraud and will seek to recover any losses and pursue appropriate sanctions against the perpetrators. This may include criminal prosecution, disciplinary action, legal proceedings and professional sanctions.

This policy applies to all staff (full time, part time, temporary and casual), consultants, contractors, volunteers and DNEAT Members and Trustees and also the local governing bodies.

#### **4.1 Definition of Fraud**



The term 'fraud' is often used to describe complex financial offences such as false accounting. However, in its simplest form, fraud is lying. Some people will lie, or withhold information, or generally abuse their position to try to trick someone else into believing something that isn't true. Examples might include:

- Sending fake invoices for goods and services that weren't ordered or received.
- Use of DNEAT or academy's charge card to make personal purchases.
- Intercepting a DNEAT or academy cheque and amending the name of the payee and/ or the amount.
- Submitting false claims for sickness or expenses.

Individuals caught committing fraud can be prosecuted under the Fraud Act 2006 if they make a false representation, fail to disclose information or abuse their position.

#### 4.2 **Key Responsibilities**

The Chief Operating Officer is responsible for:

- Developing, implementing and maintaining adequate systems of internal control that prevent and detect fraud.
- Testing the system of internal control and seeking independent assurance when appropriate.
- Regularly reviewing the anti-fraud policy and compliance with it to ensure it remains effective and relevant to the needs of the Trust.
- Reporting compliance with the policy on at least an annual basis to the Board of Trustees.
- Reporting allegations of actual, attempted or suspected fraud to the Board of Trustees.
- Ensuring all allegations of fraud are investigated appropriately, in compliance with relevant policies, procedures and legislation and commencing disciplinary and/ or legal action where appropriate.

The Board of Trustees is responsible for:

- Overseeing the financial performance of the Trust, including its assets, making sure the Trust's money is well spent and measures are in place to prevent losses or misuse, including arrangements for preventing and detecting fraud.

Staff are responsible for:

- Familiarising themselves with the types of fraud that might affect the Trust.
- Ensuring they adhere to the agreed policies and procedures, thereby protecting the Trust's reputation and assets from fraud.
- Reporting allegations of actual, attempted or suspected fraud to the Headteacher, Chief Operating Officer, Chief Executive Officer and /or the Board of Trustees.

- Assisting in the investigation of suspected fraud when requested to do so, for example by providing witness statements.

#### 4.3 **Reporting Suspicions**

The Board of Trustees and staff are an important element of the Trust's stance on fraud and are required to raise any concerns that they may have. The Board of Trustees and Chief Executive Officer will deal with any financial irregularities robustly.

Staff should immediately report any concerns about actual, attempted or suspected fraud to the Chief Executive Officer. However, if the concerns relate to DNEAT Chief Executive Officer, staff should report their concerns to the Chair of the Board of Trustees.

Under no circumstances should staff investigate the matter themselves.

Should a Member, Trustee, Governor or member of staff wish to seek advice about how to deal with an allegation of fraud, or want to report the matter anonymously, they should contact the Trust's auditors, Larking Gowen.

The Public Interest Disclosure Act 1998 protects employees who raise concerns about certain matters of public interest in good faith. Staff can obtain free independent advice from the charity [http: www.pcaw.org.uk](http://www.pcaw.org.uk)

A referral form has been provided at Appendix 3 to use as a guide to the type of information that should be captured when an allegation of fraud arises.

#### 4.4 **Fraud Response Plan**

DNEAT has established guidelines for senior staff and the Board of Trustees to use on the immediate actions to be taken in the event of a fraud being discovered or suspected. It covers how and when to seek professional advice, securing evidence and preventing further losses. (Reference Appendix 4 - Fraud Response Plan).

#### 5. **Whistleblowing Policy and Procedures** **(Trust and Academy financial and business activities)**

The provisions of this policy apply to matters of suspected fraud and impropriety and not matters of more general grievance which should be dealt with under the academy grievance procedures.

DNEAT aims to be an honest and ethical organisation and is opposed to any means of Fraud. All staff have a responsibility to protect the assets of the trust. The Trust is committed to creating a climate of trust and openness so that a person who has a genuine concern or suspicion can raise the matter with full confidence that the matter will be appropriately considered and resolved and will reassure employees they will be protected from victimisation or reprisals if they raise any concerns.

##### 5.1 **When might the Whistleblowing policy apply?**

The type of activity or behaviour which the academy considers should be dealt with under this policy includes:

- Manipulation of accounting records and finances.
- Inappropriate use of Academy assets or funds.
- Decision-making for personal gain.
- Any criminal activity.
- Abuse of position.
- Fraud and deceit or corrupt practices.
- Serious breaches of Academy procedures which may advantage a particular party (for example tampering with tender documentation, failure to register a personal interest).
- Other unethical conduct.

Anonymous allegations will only be considered if the issues raised are:-

- Very serious.
- The credibility of the allegation is considered to be high.
- The likelihood of confirming the allegation is high.

This procedure is to ensure that staff have a mechanism with which to report suspected fraud. Where Members, Trustees, Governors or members of staff wish to report or complain about financial management or impropriety within DNEAT, the leadership will then have the means to investigate by the use of the following procedures.

## 5.2 **Procedure**

Any employee that suspects fraud or impropriety has a duty to report their suspicions. DNEAT encourages the whistleblower to raise the matter internally in the first instance to allow those Members, Trustees, Governors and members of staff in positions of responsibility and authority the opportunity to, if appropriate, give an explanation for the behaviour or activity.

All matters will be treated in strict confidence and anonymity will be respected wherever possible. All reports are to be documented thoroughly, written, dated and signed supporting evidence and statements should always be taken to any meetings if possible.

DNEAT and/or each academy within DNEAT will designate a member of the Senior Leadership Team (SLT) to deal with such matters (the Investigating Officer).

In the case where the concern is being raised about a Headteacher/Principal, the designated investigating officer is DNEAT Chief Executive Officer.

In the case where the concern is being raised about DNEAT Chief Executive Officer, the designated investigating officer is the Chair of the Trust Board.

The whistleblower may raise the matter in person, email or in written form, which should be addressed to one of the above named investigating officers. All matters will be treated in strict confidence and anonymity will be respected wherever possible.

Alternatively if the whistleblower considers the matter too serious or sensitive to raise within the internal environment of the Academies, the matter should be directed in the first instance to the Trust's auditors or the Education Funding Agency, who will need to involve the appropriate Trustees.

The Education Funding Agency (EFA) has its own procedures for dealing with such matters and will ensure every effort to respect the confidentiality of the whistleblower. The EFA will ensure relevant officers of the legal or finance team are informed as appropriate and should advise the Trust Board of appropriate steps to take.

### 5.3 **How will the matter be progressed?**

The individual(s) in receipt of the information or allegation [the Investigating Officer(s)] will carry out a preliminary investigation. This will seek to establish the facts of the matter and assess whether the concern has foundation and can or should be resolved internally. The initial assessment may identify the need to involve third parties to provide further information, advice or assistance, for example involvement of other members of academy staff, the Trust's external advisors (legal, personnel, auditors), the police and the EFA.

Records will be kept of work undertaken and actions taken throughout the investigation. The Investigating Officer(s), possibly in conjunction with the Chair of the Board of Trustees or nominee, will consider how best to report the findings and what corrective action needs to be considered. This may include some form of disciplinary action and/ or third party referral such as the police.

Depending on the nature of the concern or allegation and whether or not the Investigating Officer considers there to be a case to answer, the disciplinary procedure may be applied. In such cases any disciplinary action will be considered by the statutory committee and if appropriate the appeals committee of the Trust Board. Where a case is proven on the balance of probability the matter will be reported to the full Trust Board, and where appropriate the EFA.

If a fraud is strongly suspected, steps must be taken to mitigate the potential loss to the academy arising from the fraud. For example, a finance officer should be assigned to different duties whilst the investigation is ongoing.

The Trustees should be advised when an investigation shows that fraud is likely, regardless of the size or monetary value involved in the fraud. They should also be advised as to the action recommended. It is the decision of the Trustees if the fraud is to be reported to the police for prosecution.

All occurrences of fraud should be studied to determine whether sufficient procedures and controls exist to prevent fraud. Remedial actions should be put in place to prevent a reoccurrence.

If the whistleblower is dissatisfied with the conduct of the investigation or resolution of the matter or has genuine concerns that the matter has not been handled appropriately, then the trust's Grievance Procedure can be followed.

Professional onus is placed on the whistleblower to follow proper procedures. Any employee raising issues on a wider basis, e.g. with the press, without following the procedure in this policy may be liable to disciplinary action.

This policy will not apply for any concerns taken directly to the EFA.

#### 5.4 **Respecting confidentiality**

Wherever possible DNEAT seeks to respect the confidentiality and anonymity of the whistleblower and will as far as possible protect him/her from reprisals. DNEAT will not tolerate any attempt to harass or victimise the whistleblower, or attempts to prevent concerns being raised, and will consider any necessary disciplinary or corrective action appropriate to the circumstances.

#### 5.5 **Raising unfounded malicious concerns**

Individuals are encouraged to come forward in good faith with genuine concerns with the knowledge they will be taken seriously. If individuals raise malicious unfounded concerns or attempt to make mischief, this will also be taken seriously and may constitute a disciplinary offence or require some other form of penalty appropriate to the circumstances.

#### 5.6 **EFA Requirements**

The Trust must notify EFA of any instances of fraud and theft where the value exceeds £5,000, individually or cumulatively, or of any value where the fraud is unusual or systematic.

#### 5.7 **Further information**

Further information on whistleblowing can also be found on DNEAT website [www.DNEAT.org](http://www.DNEAT.org) and on the EFA website.

## **APPENDIX 1**

### **DECLARATION OF PECUNIARY AND PERSONAL INTERESTS**

**Name:** .....

**Role/Location:** .....

I declare as a Trustee, Governor or Staff Member within the Diocese of Norwich Education and Academies Trust that I hold the following personal and/or pecuniary interest(s) (if none please state 'none'):

<b>Pecuniary interests</b>	<b>Please provide details of the interest</b> <i>Name and nature of the business, nature of the interest, date the interest began</i>
Current employment	
Businesses (of which I am a partner or sole proprietor)	
Company directorships – details of all companies of which I am a director	
Charity trusteeships – details of all companies of which I am a trustee	

Membership of professional bodies, membership organisations, public bodies or special interest groups of which I am a member and have a position of general control or management	
Gifts or hospitality offered to you by external bodies while acting in your position as a governor/trustee and whether this was declined or accepted in the last 12 months	
Contracts offered by you for the supply of goods and/or services to the trust/academy	
Any other conflict	

Personal interests	Name	Relationship to me	Organisation	Nature of the interest
Immediate family/close connections to governor/trustee				
Company directorships or trusteeships of family/close connections to governor/trustee				

#### **DECLARATION OF BUSINESS AND PECUNIARY INTERESTS**

I certify that I have declared all beneficial interests which I or any person closely connected with me have with businesses or other organisations which may have dealings with the Trust and Academies within the Trust.

#### **GIFTS AND HOSPITALITY**

I confirm that I have read and understood the financial regulations regarding my responsibility for recording all offers of gifts and hospitality offered in connection with my links with the Trust and Academies within the Trust.

**ANTI-FRAUD and WHISTLEBLOWING (Trust financial and business activities)**

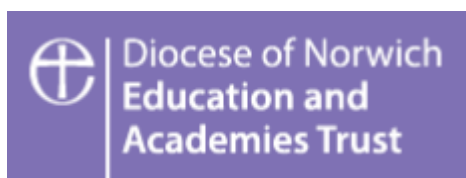
I have read and understood the procedures for reacting to specific situations with regards to whistle blowing.

I agree that the above information is correct. I undertake to provide additional information throughout the academic year should my circumstances change.

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

**Please return this form to the Clerk of Trust / Local Governing Body**





## APPENDIX 2

### DECLARATION OF GIFTS AND HOSPITALITY RECEIVED

NAME: .....

ROLE:.....

DESCRIPTION OF GIFT/HOSPITALITY RECEIVED:

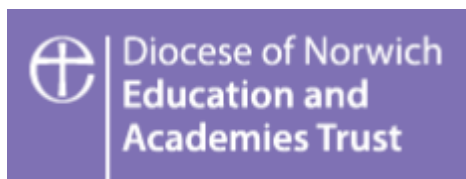
ESTIMATED/ACTUAL VALUE: £ .....

Signed: ..... Date: .....

Role: Member, Trustee, Governor or member of staff

If in Advisory Band – authorisation needed from DNEAT Chief Operating Officer

Signed: ..... Date :.....



## APPENDIX 3

### FRAUD REPORTING FORM

If you have any concerns about fraud please print and complete this form and address it to the Chief Executive Officer, Diocesan House, 109 Dereham Road, Easton, Norwich NR9 5ES. If the concern raised relates to the Chief Executive Officer, please send the form to the Chair of the Board of Trustees at the above address.

You do not need to give your name. All the information provided will be treated in confidence.

Name of the person(s) or organisation you suspect:

Address: (if known)

Place of work / department / job title: (If known)

Please provide details of your suspicions. You should include as much information as possible. For example, what was said in telephone or other conversations, dates, times and places, vehicles used, as well as the names of any other parties involved: (Continue on a separate page if necessary and attach any additional evidence you may have)

Your details: (please leave blank if you wish to remain anonymous)

Name:

Telephone number or contact:

Address:



## **APPENDIX 4**

### **FRAUD RESPONSE PLAN**

It is important that allegations of actual, attempted and suspected fraud aren't ignored. Even seemingly insignificant concerns may later reveal a larger, previously unknown problem.

#### **Securing Evidence**

Ensure that any concerns are recorded fully. Whenever possible keep written notes that cover:

- Names, addresses and dates of birth.
- Descriptions (height, build, hair colour, ethnicity, clothing, distinctive features)
- Dates and times of key events.
- Vehicle registration numbers and descriptions.
- Details of any conversations had or overheard.
- Details of any actions or incidents that were observed.
- Telephone numbers.
- Company and/ or business details.

Secure any physical evidence such as original invoices, receipts, letters, emails, cheques and application forms. Try to minimise how many people and how often evidence is handled. Fingerprint evidence can very quickly be destroyed.

If any of the evidence is on a computer, immediately unplug the computer from its power source. Don't attempt to shut the computer down through its operating system as this can alter or destroy key files and documents.

Whilst initially securing the evidence it is important not to be tempted to begin a more substantial investigation, or accuse individuals directly, without seeking professional advice (see 'Seeking Advice' below).

If an investigation is undertaken without following the appropriate policies, procedures and legislation, or if individuals are accused without sufficient evidence, it may lead to the perpetrators avoiding a disciplinary, criminal or civil sanction.

#### **Preventing Further Losses**

It is important to minimise any additional losses. For example, if the allegations concern the theft or loss of banking passwords, PIN's or similar credentials notify the bank immediately.

Equally, if the losses relate to a weak process, for example cash is routinely kept unsecured in a drawer, ensure that the process is changed, at least temporarily, until more permanent and improved processes can be implemented.

#### **Seeking Advice**

When an allegation of fraud is discovered it is important to seek professional advice as soon as possible. Advice can be sought from the Trust's Chief Operating Officer, and the Police. General advice about fraud is available from Action Fraud: [www.actionfraud.police.uk/](http://www.actionfraud.police.uk/)

### **Support for Witnesses**

Members, Trustees, Governors, members of staff and the public may be feeling vulnerable before, during and after they have brought an allegation of fraud to the attention of the Trust.

Witnesses should be assured that they have acted appropriately by raising their concerns. They should be referred to the Whistleblowing Policy and Procedures Section of the Financial Probity Policy and reminded that the Trust does not tolerate reprisals, victimisation or harassment and will take all reasonable action to protect them.

In addition, the Trust will take steps to minimise any difficulties anyone may experience as a result of raising a concern. For instance, if they are required to give evidence in criminal or disciplinary proceedings, the Trust will advise or arrange for them to receive advice and support about the process being followed.

Examples of fraud can be found in the DNEAT Finance Policy.