

FINANCE AND COMPETITIVE TENDERING POLICY

Key Roles:	Name
Chair of Trustees	Rev. Nigel Sinclair
CEO	Nigel Ashley
FM	Rebecca Clarke
Compliance Officer	Dianne Mousley

Policy Type	
Adopted by Elevate A& R Committee	10.10.18
Chair of the Committee	John Brear
To be reviewed	10.10.2019
Reviewed	

This policy should be signed by all staff involved in financial transactions to say they have read and understood the policy.

Introduction

The purpose of this policy is to ensure that Elevate Multi Academy Trust (Elevate) maintains and develops systems of financial control which conforms with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our Funding Agreement with the Department for Education (DfE).

Elevate must comply with the principles of financial control outlined in the academies guidance published by the DfE (primarily the ESFA Academies Financial Handbook). This policy expands on that and provides detailed information on Elevate's accounting procedures and systems.

This policy should be read in conjunction with the following Elevate policies/ procedures and with individual academy financial procedure notes as appropriate.

- Scheme of Delegation
- Assets & Disposal Policy
- Anti-Fraud, Corruption & Bribery Policy
- Staff Expenses Policy
- Whistle-blowing Policy
- Cash Flow & Management of Deposits Policy

This policy will be regularly reviewed and amendments can only be made following the approval of the Trustees.

This policy applies to Elevate and to their individual Academies;

- **Meadowside Academy**
- **Aspin Park Academy**
- **Topcliffe C of E Academy**
- **Knayton C of E Academy**
- **Sowerby Primary Academy**
- **Carlton Miniott Academy**
- **Thorner C of E Primary School**

With the approval of the Accounting Officer and in consultation with the Chair of Trustees, Elevate may waive the requirements of this policy within the delegations of the Academies Financial Handbook – (AFH) in exceptional circumstances. These decisions will be formally recorded and reported to Trustees at the next meeting of Elevate Audit & Resources Committee or the Trustees.

Instances of non-compliance with this policy will be reviewed by the Accounting Officer and may be reported to the Elevate Audit & Resources Committee.

Financial Responsibilities

The key financial responsibilities within Elevate are outlined below:

The Accounting Officer:

Elevate have appointed the Chief Executive Officer as the Accounting Officer has personal responsibility (that cannot be delegated) for assuring The Trustees that there is compliance with the Academies Financial Handbook, the Funding Agreement and all relevant aspects of company and charitable law.

The Board of Trustees:

- Has overall responsibility for the administration of Elevate's finances;
- Are responsible for managing the financial affairs to ensure regularity, propriety and value for money;
- Are responsible for ensuring Elevate's funds are used in accordance with charity law, company law and the Funding Agreement.

The Trustees are held to account by the Secretary of State. However, the Trustees delegate certain powers to the Accounting Officer.

Elevate Audit & Resources Committee (A&R):

- is a committee of the Board of Trustees meeting at least once a term or more frequently if required;
- Has been delegated many of its financial responsibilities by the Trustees;
- responsibilities are detailed in the terms of reference set out in the Scheme of Delegation which has been agreed by the Trustees;
- fulfils the responsibilities and duties of an audit committee. The Committee has commissioned a programme of internal assurance testing, across all the Academies in the Trust, to be carried out by the external auditors to support them in their role. The Committee receives the reports of the external auditor in respect of both internal and external audits.

Head Teacher:

- Meeting with Finance Manager to discuss and agree start budget;
- Monitoring spending of Academy;
- Ensuring not overspend so budget becomes in deficit
- Liasise with Finance link governor to monitor monthly budget management sheets

Local Governing Bodies (LGB):

- Overview the start budget and recommend to A&R to approve start budget;

COO:

Finance Manager Support (Avec)

Elevate has commissioned an external support service from Avec Partnership. Avec will provide direct support and advice in relation to finance matters and will support the Accounting Officer and Finance Manager in line with agreed work programme to complete key financial tasks.

The main responsibilities of the Finance Manager (supported by Avec) are:

- the establishment and operation of a suitable accounting system;
- the management of Elevate's financial position at a strategic and operational level within the framework for financial control determined by the Trustees;
- implementation and operation of rigorous and robust audits and control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of Elevate;
- the preparation of monthly and annual management accounts;
- Assisting with the operation and maintenance of payroll systems, ensuring the information is up to date and accurate;

Other Staff:

Other members of staff will have some financial responsibilities. All staff are responsible for the security of Elevate property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of Elevate's financial procedures.

Register of Interests

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 Members, Trustees, local governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which Elevate may purchase goods or services. The register will also record family relationships within Elevate as required by the AFH. The register is open to public inspection and published on the website.

Conflict of interest:

The existence of a register of business interests does not, of course, detract from the duties of local governors and staff to declare interests whenever they are relevant to matters being discussed by the local governing body or a committee. Conflicts of Interests are a standing item on all agendas. Where an interest has been declared, procedures ensure that the conflict is managed and local governors and staff should not attend that part of any committee or other meeting.

Related Parties Transactions

Principles applying to related party relationships (AFH 5.34 to 5.47)

Academy trusts **must** be even-handed in their relationships with related parties by ensuring that:

- trustees comply with their statutory duties as company directors to avoid conflicts of interest, not to accept benefits from third parties, and to declare interest in proposed transactions or arrangements
- all members, trustees, local governors of academies within a MAT and senior employees have completed the register of interests, in accordance with the AFH;
- no member, trustee, local governor, employee or related individual or organisation uses their connection to the trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the trust
- there are no payments to any trustee by the trust unless permitted by the articles, or by authority from the Charity Commission, and comply with any relevant agreement with the Secretary of State. Trusts will need to consider these obligations where payments are made to other business entities who employ the trustee, are owned by the trustee, or in which the trustee holds a controlling interest
- the Charity Commission's approval is obtained where the trust believes a significant advantage exists in paying a trustee for acting as a trustee
- any payment provided to the persons referred to in section 3.10.12 satisfies the 'at cost' requirements in this handbook
- The trust should be aware of the Charity Commission's guidance for trustees
CC11: Trustee expenses and payments.

The board of trustees **must** ensure requirements for managing related party transactions are applied across the trust.

The chair and the accounting officer **must** ensure their capacity to control and influence does not conflict with these requirements. They **must** manage personal relationships with related parties to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with the seven principles of public life.

Trusts **must** recognise that some relationships with related parties may attract greater public scrutiny, such as:

- transactions with individuals in a position of control and influence, including the chair of the board and the accounting officer
- payments to organisations with a profit motive, as opposed to those in the public or voluntary sectors

- relationships with external auditors beyond their duty to deliver a statutory audit.

The trust **must** keep sufficient records, and make sufficient disclosures in their annual accounts, to show that transactions with these parties, and all other related parties, have been conducted in accordance with the high standards of accountability and transparency required within the public sector.

Reporting of related party transactions to ESFA

Trusts **must** report all transactions with related parties to ESFA in advance of the transaction taking place, using ESFA's on-line form. This requirement applies to transactions made on or after 1 April 2019.

Approval of related party transactions by ESFA

Trusts **must** obtain ESFA's approval for transactions with related parties that are novel, contentious and/or repercussive. Trusts should carefully consider the impact of this requirement and its relevance to transactions involving the chair of the board and the accounting officer.

Trusts **must** obtain ESFA's prior approval, using ESFA's on-line form, for contracts for the supply of goods or services to the trust by a related party agreed on or after 1 April 2019 where any of the following limits arise:

- a contract exceeding £20,000
- a contract of any value that would take the total value of contracts with the related party beyond £20,000 in the same financial year ending 31 August
- a contract of any value if there have been contracts exceeding £20,000 individually or cumulatively with the related party in the same financial year ending 31 August.

For the purposes of reporting to, and approval by, ESFA, transactions with related parties do not include salaries and other payments made by the trust to a person under a contract of employment through the trust's payroll.

Financial Planning

Medium Term Financial Plan:

The medium term financial plan is prepared as part of the development planning process. Elevate's 3 year strategic plan indicates how Elevate's educational and other objectives are going to be achieved within the expected level of resources over the next 3 years.

The Strategic plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to Elevate and the planned use of those resources for the following year.

The approved start budget must be submitted to the DfE annually and the Finance Manager is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

The start budget will reflect the best estimate of the resources available to Elevate for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the strategic plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of children to estimate the amount of DfE grant receivable;
- review of other income sources available to Elevate to assess likely level of receipts;
- review of past performance against budgets to promote an understanding of Elevate cost base;

- identification of potential efficiency savings;
- review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.

Balancing the Budget:

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

Trustees must notify the ESFA within 14 days if it proposes to approve an overall deficit budget.

Monitoring and Review:

The Finance Manager will prepare monthly management accounts and these will be shared with Head teachers. A detailed budget monitoring report will be prepared termly and presented to A&R.

Any potential under or over spend against the budget must in the first instance be discussed with the Academy Head Teacher with the Finance manager.

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. If a budget overspend is forecast it may be appropriate to vire money from another budget or from the contingency.

Accounting System

All the financial transactions of Elevate must be recorded in Sage Education, the financial management system.

System Access:

Access to Sage Education is determined by the Accounting Officer, and controlled by the Finance Manager.

User access is controlled through secure user accounts and passwords. It is the responsibility of all Sage Education users to keep their password secure. Access to the system is password protected with password changes are prompted by the system. System access must ensure that there is adequate separation of duties in the process and that users may not initiate and approve transactions.

Back-up Procedures:

The software provider is contractually responsible for performing system back-up and providing restored systems in the case of a system failure.

Transaction Processing:

All journal entries must be documented on the appropriate journal form, and authorised in accordance with the authorisation limits prior to being input to Sage Education

Reconciliations:

The Finance Manager and Avec are responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- purchase ledger control account;
- payroll control account;

- all suspense accounts and
- bank balance per the nominal ledger to the bank statement;
- Sales ledger control account.
- All un-reconciled items are reported in an exception report as part of the monthly process.

The Finance Manager will review in a timely manner, all monthly reconciliations and sign them as evidence of that review.

Payroll

Staff Appointments:

Staff appointments must be in line with the staffing structures proposed by the Head teachers, and reviewed and approved by A&R.

Elevate maintains personnel files for all members of staff which include contracts of employment.

Payroll Administration:

Elevate payroll processing is administered through a contractual arrangement with an external payroll provider North Yorkshire County Council (**NYCC**)

The payroll provider will determine monthly payroll timetables for key processing dates.

New staff appointments and terminations must be submitted by the Head teacher and approved by HR who then notifies the payroll provider. This may be completed through the electronic 'Myview' system or through manually signed forms.

Each Academy is responsible for notifying the payroll provider of sickness and other absences during the month. These are authorised by the Head teacher.

NYCC provide a detailed dummy and then final report of monthly salary payments to each individual academy and this is checked by the Finance Manager and authorised by HR . The report is signed to evidence these checks.

The authorisation of the payroll is notified to NYCC by each Academy.

Mileage and Expenses: (see Staff Expenses Policy)

Claims for mileage and expenses are authorised by the Academy Head teacher and processed by the Central team at the approved payment rate.

Head teachers expenses should be approved by the CEO.

Payment of Salaries:

All salary payments are made by BACS and are the responsibility of the payroll provider as per the contract arrangements.

The payroll provider calculates the schedule each month of statutory and voluntary deductions due from payroll.and makes all payments on behalf of Elevate.

After the payroll has been processed the nominal ledger will be updated by Elevate's finance team. Postings will be made both to the payroll control account and to appropriate cost centres. The Finance Manager(Avec) 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 any amounts posted to the suspense account.

Staff Severance Payments:

Non-contractual payments at the end of employment would only be paid if Elevate had concluded that the payment represented best value for money compared to other options. The business case for such payments would be fully documented in line with AFH and the guidance issued by the ESFA,

The Accounting Officer in conjunction with the Headteacher, the Finance Manager (Avec) and the Chair of Trustees may approve non contractual payments up to £50,000.

All payments will be supported by a full business case and appropriate HR/legal input.
Non-contractual payments over £50,000 require approval in advance from HM Treasury.

Purchasing

Elevate wants to achieve the best value for money from all purchases. A large proportion of purchases will be paid for with public funds. The integrity of these funds should be maintained 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 Elevate;

Accountability: Elevate is publicly accountable for its expenditure and the conduct of its affairs;

Fairness: that all those dealt with by Elevate are dealt with on a fair and equitable basis.

Where a specialist service e.g. architect / project manager, is appointed to act as an agent on behalf of Elevate, Elevate may delegate the procurement process (including invitation to tender, receipt of documents and evaluation of tenders) where assurance of open and transparent procurement principles has been gained in advance regarding the processes involved by the outside agency. For contracts over £20,000 the final decision will be made by Elevate Audit & Resources Committee; the agent will prepare a report containing recommendation for appointment, including the scoring process and details of all other submissions.

Authorisation Limits:

Budget holders may approve orders to £1,000 within their delegated budgets. The relevant Head teacher must approve all orders/purchases above £1,000 up to £10,000.

Orders over a value of £10,000 must be approved by the Accounting Officer and have prior approval from Elevate Audit & Resources Committee.

- Official orders must be created for all purchases other than utility payments, purchasing card transactions and those purchases controlled by a contract or agreement such as insurance/RPA, telephone, photocopying;
- Webusers will initiate requisitions in Sage and this will be authorised by the nominate budgetholder;
- All orders must be made, or confirmed, using an official Sage Education order form;
- Approved orders, will be recorded in the purchase order module of Sage Education which will allocate an order number. Orders will be despatched by email;
- Incoming deliveries will be despatched to departments accordingly and the goods will be checked against the goods received note. Any discrepancies should be recorded and discussed with the supplier without delay;
- If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Manager should be notified;

- All signed goods received notes and invoices should be sent to the Central Team. Invoice will only be processed for payment if the order, and Invoice all match in terms of value and quantity of goods/services. Any mismatches will be investigated by the Central team.
- The Central Team will clearly mark each invoice as 'processed for payment' and record the Sage Education system reference number.

Supplier Database:

One supplier database is used for the whole of Elevate. It is vital to minimise the possibility of fraud and human error that amendments and additions to the database are only made in accordance with Supplier Amendment Procedure. Please refer to this procedure. The database will be controlled by the Finance Manager.

Payments:

Payment files will be transferred from Sage to Lloydslink by the Central Team and then checked by the Finance Manager. Lloydslink payments must be authorised by two approved users as detailed in this policy and reconciled to the payment report from Sage. This reconciliation must be evidenced and signed.

In the rare instance where cheques payments are required these will be generated by Elevate. The cheques must be authorised by two of the nominated bank account signatories.

Competitive Purchasing Requirements and Limits:

(The value of purchases is calculated as the value, excluding VAT, for the full duration of the contract including any extensions or options)

For the avoidance of doubt, the following expenditure is excluded from formal tendering procedures: goods/services where Elevate is not the end user and contributions to the expenditure are made by or on behalf of the end user, for example, school trips (where pupils are the end user).

Purchases/orders up to £1,000: Approved by????

In purchasing all goods and services, budget holders should ensure that they review the use of existing resources and consider the cost, quality, reliability and availability. Value for money should always be considered but no formal quotes are required for spend under £1,000. Established framework arrangements will be used wherever appropriate, and firm prices must be obtained before commitment to purchase is made.

Purchases/orders from £1,000 to £10,000: Approved by the Head teacher

At least two written quotations should be obtained for all orders between £1,000 and £10,000 to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes. Telephone quotes are acceptable if these are evidenced and confirmation of quotes has been received before a purchase decision is made. Headteachers may approve purchases on the basis of one quotation in exceptional circumstances.

Purchase/orders from £10,000 to £20,000: Approved by????

At least three written quotations should be obtained. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes. Telephone quotes are acceptable if these are evidenced and faxed confirmation of quotes has been received before a purchase decision is made.

Purchase/orders from £20,000 to £75,000: Approved by the Board of Trustees/A&R

At least 3 written quotations should be obtained All potential contractors invited to submit quotations shall be provided in all instances with identical information and instructions. Quotations should be evaluation against clear criteria.

Full records should be kept of all criteria used for evaluation and decision making and a recommendation made for approval by A&R. If competitive quotes are not able to be sought, a report will be taken to A&R

documenting the reasons why and how value for money has been otherwise assured.

Purchase/Orders over £75,000:

All goods/services ordered with a value over £75,000, or for a series of contracts which in total exceed £75,000 must be subject to formal tendering procedures, detailed below and will be managed by the FM (Avec).

EU Procurement Thresholds from 1st Jan 2018

Supplies and Services	£181,302
Lighter Touch Services	£615,278
Works	£4,551,413

Procurement above EU Thresholds must be carried out in accordance with the appropriate **EU Procurement Directives**, which the UK enforces through the **Public Contract Regulations 2016**

Existing EU compliant framework agreements will be explored and used where appropriate

For purchases above the threshold a procurement plan identifying the key tasks, responsibilities and authorisation routes must be approved by the Trustees before the procurement commences and progress will be monitored and reported to Trustees throughout the process. This process is likely to draw on external procurement, technical and legal advice

References

<https://www.gov.uk/guidance/transposing-eu-procurement-directives>
<http://www.legislation.gov.uk/ukxi/2015/102/contents/made>

Tendering Procedures (Tenders over £75,000 up to EU thresholds):

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below. Elevate must seek tenders on the most appropriate basis.

Staff will refer to and follow the additional DfE guidance

<https://www.gov.uk/guidance/buying-for-schools>

Open Tender: This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Finance Manager (Avec) how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

Restricted Tender: Elevate will normally invite at least four bidders. This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- there is a need to maintain a balance between the contract value and administrative costs,
- a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply Elevate'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;
- extending the scope of an existing contract;
- Where market exploration has shown that only one or very few suppliers are available;
- extreme urgency exists;
- additional deliveries by the existing supplier are justified;
- where the Diocesan Trustees (owners of the property) impose restrictions on whom they will permit to undertake capital projects for example, architects and construction advisors.

Framework Agreements:

A framework agreement is: “an agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged.” In other words, a framework agreement is a general phrase for agreements with providers that set out terms and conditions under which agreements for specific purchases (known as call-off contracts) can be made throughout the term of the agreement. In most cases a framework agreement will not itself commit either party to purchase or supply, but the procurement to establish a framework agreement is subject to the EU procurement rules.

DfE Advice on Buying for Schools, March 2016 (updated 2019) identifies the following organisations who can provide framework agreements:

Local Authority

[Central Buying Consortium \(CBC\)](#)

[The Crescent Purchasing Consortium \(CPC\)](#)

[Crown Commercial Service \(CCS\)](#)

[YPO](#)

Preparation for Tender:

Full consideration should be given to:

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

The award criteria which are to be applied in evaluating tenders must be recorded in writing before the tenders are invited and must be stated in the documents sent to suppliers. 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. A tender specification will be prepared and approved by Elevate Audit & Resources Committee or in the case of urgency the Chair of Trustees or the Chair of Elevate Audit & Resources Committee in advance of the invitation to tender.

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;
- selection criteria
- implementation of the project;
- terms and conditions of tender and
- form of response.

In contracts where the financial standing of the supplier is critical the financial status of all candidate contractors will be assessed through a company credit check for all tenders in excess of £75,000.

Tender Acceptance Procedures:

The invitation to tender should state the date and time by which the completed tender document should be received by Elevate. 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 a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted, unless the Accounting Officer and Chair of Trustees are satisfied that the tender was posted or dispatched on time but that delivery was prevented by an event beyond the control of the tenderer and that other tenders have not been opened.

Tender Opening Procedures:

All tenders submitted should be opened at the same time and the tender details should be recorded. Tenders should be opened in the presence of a Trustee and the Accounting Officer (or other designated officer) unless the tendering procedure has been delegated to a specialist agent.

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

Tendering Evaluation Procedures:

The evaluation process should involve at least 2 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 making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation and a recommendation on the award decision made to Trustees.

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

Contract terms and conditions:

All contracts over £75,000 should be subject to a formal written contract, unless it is determined that the terms of an official order will sufficiently protect Elevate. Legal advice will be sought as necessary. The contract will be signed by the the Accounting Officer.

Contract Monitoring:

All contracts which have a high value or which are key services will be subject to regular review and monitoring with the contractor.

Income

Grant Funding

The main sources of income for Elevate are the revenue and capital grants from the ESFA. The receipt of these sums is monitored directly by Finance Manager (Avec) who is responsible for ensuring that all grants due to Elevate are collected.

Revenue funding is largely driven by pupil numbers. Census returns will be completed and authorised in each Academy as follows:

Completed by: Office Administrators

Authorised by: Head teacher

Applications for any significant additional grant funding including bids for capital grants will be subject to approval from the Accounting Officer.

Other Income:

Elevate and individual Academies also obtain income from:

- School meals;
- Pre-school and before and after-school clubs;
- School visits and trips;
- Uniform and book bags;
- Lettings;
- Ad-hoc fundraising events.

Visits and Trips:

Each Academy must establish procedures to deal with income from trips.

These procedures must ensure that:

- A lead teacher is responsible for each trip (see EVC & Children Off Site Policy);
- A record of children on each trip and payments made is maintained.

Uniform and Bag Sales:

Each Academy must establish procedures to deal with income from sale of items.

These procedures must ensure that:

- Income is reconciled to stock;
- Stock is held securely and controlled

Pre-school and Before and After-School Clubs:

Each Academy must establish procedures to deal with income from out of school clubs.

These procedures must ensure that:

- Registers of attendance are maintained;
- Registers are reconciled to income received.

Lettings & Hire of Facilities: see Charging and Remissions policy and Lettings policy)

Each Academy must establish procedures to deal with income from lettings.

These procedures must ensure that:

- Adequate records are maintained of all bookings made;
- To use forms annexed to Elevate Lettings policy;
- Payment should be made in advance wherever possible;
- Sales Ledger accounts are raised through Sage Education;
- Debts will be monitored and promptly chased up;
- Approval to write off debts must be obtained from A&R.

School Meals:

School meal payments are collected via ParentPay and by cash.

Each Academy must establish procedures to ensure that:

- Payments are adequately monitored and debts chased up;
- Debts up to £50 can be written off at the discretion of the Head teacher;
- Income is reconciled against the number of meals provided;
- Parent Pay transactions must be recorded promptly in the Sage Education system;
- Each reconciliation must be documented and signed.

Ad-hoc Cash Collection:

Cash income may be collected occasionally for events/fundraising etc. In such cases cash will be held securely at all times, counted in the presence of two members of staff, promptly recorded and reconciled to banking.

Custody and Banking- General:

Each Academy must establish procedures to deal with income banking.

These procedures must ensure that:

- All cash and cheques must be kept in the safe prior to banking.
- Safes are accessed by electronic passcodes.
- Passcodes to safes are known only to office staff and are not written down or shared.
- Banking should take place regularly; if the sums collected exceed the insurance/RPA limit on the safe.
- Monies collected must be banked in their entirety in the appropriate bank account.
- Two members of staff must verify each banking
- Bankings must be reconciled to source records of income received
- Each banking must be promptly reconciled to the bank account

Cash Management

Bank Accounts:

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

Deposits:

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;
- a reference, such as the number of the receipt or the name of the debtor.

Payments and Withdrawals:

Cheques from Elevate bank account must bear the signatures of two of the following authorised signatories:

- Nominated SLT
- Head teachers
- Nominated Academy Admin
- Finance manager

For cheques over £10,000 one signatory must be a Headteacher.

Authorised signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure.

LloydsLink System:

Elevate staff have access to generate and authorise on-line payments.

Access to the system is controlled via user accounts, passwords and smartcards. It is the responsibility of each individual to maintain security of their passwords and cards and PINs will never be shared.

All payments made via Lloydslink must be authorised as per the expenditure limits prior to being input. The following staff are approved as inputters and authorisers:-

Inputters:

Finance Manager
Business Managers

Approvers:

Finance Manager
CEO

Bank Reconciliation:

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

- all bank accounts are reconciled to Sage Education;
- adjustments arising are dealt with promptly

Each reconciliation must be authorised by the CEO.

Petty Cash Accounts:

Petty Cash accounts are not in use.

Corporate Cards:

Elevate uses corporate cards as an efficient method of procuring travel, accommodation and sundry items. Corporate cards are held by authorised members and credit limits are set to minimise risk. Each Academy must establish procedures to deal with purchasing cards.

These procedures must ensure that:

- Cards are stored safely;
- Cards are not shared with other members of staff;
- The Elevate credit card terms form is signed before the card is used;
- PINs are not written down;
- Cards are only used if an invoice cannot be raised;
- Cards are only used for academy business;
- Supporting documentation is held for all transactions;
- Each statement is reconciled and then authorised independently of the cardholder;
- Records of the reconciliation and approval are maintained.

Credit Limits for Corporate Card:

Head teacher: £250
Administrator: £100
After school Club: £150

Cash Flow Forecasts:

The Finance Manager is responsible for preparing regular cash flow forecasts to ensure that Elevate has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds. Similarly plans should be made to transfer funds from another bank account or to re-profile Income and Expenditure to cover potential cash shortages.

Investments and Cash Deposits:

Investments and deposits must be made only in accordance with written procedures approved by the Trustees. (Cash Flow & Management of Deposits Policy)

Fixed Assets

This section should be read in conjunction with the Assets & Disposal Policy, as adopted by the Trustees, which includes more detailed definitions and procedures.

Fixed Asset Register:

The Assets Register details all capitalised purchases and helps:

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

Inventory of Fixed Assets:

In addition each Academy Administrator will be responsible for maintaining a record of all non-capitalised, attractive, portable assets with a value of over £100 will be maintained and security controls operated in order to safeguard Elevate's property.

Security of Fixed Assets:

All fixed assets recorded in the register are permanently marked as Trust Property or by 'selectormark', as far as this is possible.

- The Fixed Asset Register is to be kept up to date and reviewed regularly.
- Items used by Elevate but not owned by Elevate should be recorded as such.
- Physical counts against the register are undertaken annually at or about the end of the financial year. This count is to be performed by someone other than the person responsible for the asset register.
- Differences between counts and the register are investigated promptly and significant differences are reported to Elevate A&R in line with the scheme of delegation. Stores and equipment are secured by means of physical and other security devices.

Disposals:

All requests for disposal must be submitted to the Head Teacher for approval and then approved by A&R. The best possible value must be obtained in the disposal of assets.

Acceptable methods of disposal are detailed in the Assets and Disposal Policy

Disposal Limits:

Disposal of land and buildings must be agreed in advance with the Secretary of State.

Loan of Assets:

Items of Elevate property must not be removed from the Academy premises without the authority of the Head teacher.

If a laptop or iPad is allocated to a member of staff and taken off site they must first sign a laptop agreement (See Elevate Lap Top Agreement).

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

Novel, contentious and repercussive transactions

Novel, contentious and/or repercussive transactions must always be referred to ESFA for prior approval. ESFA may refer such transactions to HM Treasury for approval, so trusts should allow sufficient time for proposals to be considered.

- Novel transactions are those of which the academy trust has no experience, or are outside its range of normal business.
- Contentious transactions are those that might cause criticism of the trust by Parliament, the public or the media.
- Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.