



# UNITY SCHOOLS PARTNERSHIP

## FINANCE POLICY AND PROCEDURES

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## 1. Introduction

- 1.1. The purpose of this manual is to ensure that Unity Schools Partnership (UnitySP or USP) 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 our funding agreement with the Department for Education (DFE)/Education Skills Funding Agency (ESFA).
- 1.2. UnitySP must comply with the principles of financial control outlined in the academies guidance published by the DFE/ESFA. This document expands on that and provides detailed information on UnitySP's accounting procedures and systems, this document should be read by all staff involved with financial systems.
- 1.3. Any forms or templates referenced in this document will be available on UnitySP intranet or directly from the Central Finance Team.

## 2. Organisation

- 2.1. UnitySP has defined the responsibilities of each person involved in the administration of MAT finances to avoid the duplication or omission of functions and to provide a framework of accountability for Trustees and staff. This delegation is to follow the Scheme of Delegated Authority for UnitySP, the financial reporting structure is illustrated below:

### **The Trustees**

- 2.2. The Trustees have overall responsibility for the administration of UnitySP's finances. The main responsibilities of the Trustees are prescribed in the Funding Agreement between UnitySP and the DFE and in UnitySP's scheme of Delegated Authority. The main responsibilities include:
  -  Ensuring that grants are used only for the purposes intended, in particular those from the ESFA;
  -  Ensuring that funds from other sources are received according to UnitySP's Funding Agreement, and are used only for the purposes intended;
  -  Approval of the annual budget;
  -  Approval of the annual statutory accounts and financial statements;
  -  Appointment of the CEO; and
  -  Appointment of the Director of Finance & HR, in conjunction with the CEO.

### **The Risk & Audit Committee**

- 2.3. The Risk & Audit Committee is a committee of the Trustees. The Risk & Audit Committee meets at least once a term, but more frequent meetings can be arranged if necessary.
- 2.4. The main responsibilities of the Risk & Audit Committee are detailed in written terms of reference which have been authorised by the Trustees. The main responsibilities include:

- ▲ The initial review and recommendation of the assumptions used for the annual budget and recommendation to the Trustee Board.
- ▲ Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DFE guidance issued to academies.
- ▲ Authorising the award of contracts over £100,000 [if not included within the planned school budget].
- ▲ Reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Trustees.
- ▲ Reviewing the Trusts Risk Register, using it to inform independent scrutiny reviews from Internal Audit.

### **The CEO**

2.5. Within the framework of UnitySP business plan as approved by the Trustees, the CEO, as Accounting Officer, has overall executive responsibility for UnitySP's activities including financial activities. Much of the financial responsibility has been delegated to the Director of Finance but the CEO still retains responsibility for:

- ▲ Approving new staff appointments within the authorised establishment, except for any senior staff posts which the Trustees have agreed should be approved by them in line with the scheme of delegation;
- ▲ Authorising contracts in conjunction with the Director of Finance & HR. Authorising electronic payments in conjunction with the Director of Finance & HR or other authorised signatories.

### **The Director Finance & HR**

2.6. The Director of Finance & HR works in close collaboration with the CEO through whom he or she is responsible to the Trustees. The Director of Finance & HR also has direct access to the Trustees via the Risk & Audit Committee. The main responsibilities of the Director of Finance & HR are:

- ▲ The day to day management of financial issues including the establishment and operation of a suitable accounting system;
- ▲ The management of UnitySP financial position at a strategic and operational level within the framework for financial control determined by the Trustees;
- ▲ 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 UnitySP;
- ▲ The preparation of monthly management accounts which are submitted to the Chair of the Board and Trustees to review on a monthly basis.
- ▲ Authorising orders in conjunction with budget holders. Authorising electronic payments in conjunction with the CEO or other authorised signatory;
- ▲ Ensuring forms and returns are sent to the ESFA in line with the timetable in the DFE/ESFA guidance.

### **Internal Audit**

- 2.7. The Risk & Audit Committee also reviews the risks to internal control at UnitySP. They have and agreed a programme of work that will address these risks, to inform the governance statement that accompanies the trust's annual accounts and so far as is possible, provide assurance to the external auditors.
- 2.8. The Trustees have agreed to buy in the services of an internal audit services to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Trustees. A report of the findings from each investigation will be presented to the Risk & Audit Committee.

### **Other Staff**



- 2.9. Other members of staff, primarily the Headteachers, the Finance Managers and budget holders, will have some financial responsibility as determined and amended from time to time within the Scheme of Delegation. All staff are responsible for the security of MAT property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of UnitySP's financial procedures.





### **Register of Interests**

- 2.10. 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 MAT Trustees, members of Local Governing Bodies and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which UnitySP may purchase goods or services. This is a register of Pecuniary Interests, held by the CEO on behalf of UnitySP across all schools and is open to public inspection.
- 2.11. 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 UnitySP. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a Trustee or a member of staff by that person.
- 2.12. The existence of a register of business interests does not, of course, detract from the duties of Trustees and staff to declare interests whenever they are relevant to matters being discussed by the Trustees or a committee. Where an interest has been declared, Trustees and staff should not attend that part of any committee or other meeting.

## **3. Accounting System**

- 3.1. All the financial transactions of UnitySP must be recorded on the accounting system PS FINANCIALS. This system is operated by the Finance Department and consists of:

-  Journals
-  Nominal Ledger

-  Bank
-  Transactions
-  Purchase Ledger
-  Sales Ledger

### **System Access**

- 3.2. Entry to the PS FINANCIALS system is password restricted and the Director of Finance & HR is responsible for implementing a system which ensures that passwords are changed regularly.
- 3.3. Access to the component parts of PS FINANCIALS can also be restricted and the Director of Finance & HR is responsible for setting access levels for all members of staff using the system.



### **Back-up Procedures**

- 3.4. As PSF is a cloud-based system backups are not required locally.
- 3.5. The Director of Finance & HR should prepare a disaster recovery plan in the event of loss of accounting facilities or financial data. This should link in with the annual assessment made by Trustees of the major risks to which UnitySP is exposed and the systems that have been put in place to mitigate those risks.





### **Transaction Processing**

- 3.6. All transactions input to the accounting system must be authorised in accordance with the record of Financial Responsibility. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in the following sections of the manual. All journal entries will be reviewed at a high level, the Director of Finance & HR will select a random sample of journals for more detailed review and checking on a monthly basis.
- 3.7. Detailed information on the operation of PSF can be found in the user manuals held in the Finance Office.

### **Transaction Reports**

- 3.8. The Director of Finance & HR will obtain and review system reports to ensure that only approved transactions are posted to the accounting system. The reports obtained and reviewed will include:
  -  Master file amendment reports for the purchase ledger and sales ledger;
  -  Management accounts summarising expenditure and income against budget at budget holder level.

### **Reconciliations**

- 3.9. The Finance team are responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:
  -  Sales ledger control account;
  -  Purchase ledger control account;
  -  Fixed Asset and Capital balances;
  -  Other asset and liability control accounts;

- ▲ Payroll control account;
- ▲ All suspense accounts; and
- ▲ Bank balance per the nominal ledger to the bank statement.

3.10. Any unusual or long outstanding reconciling items must be brought to the attention of the Director of Finance & HR who will review and sign all reconciliations as evidence of his/her review.

## 4. Financial Planning

4.1. UnitySP prepares both medium term and short-term (one year) financial plans.

4.2. The medium-term financial plan is prepared as part of the business planning process. The business plan indicates how UnitySP's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

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

4.4. The business planning process and the budgetary process are described in more detail below.

### The Business Plan

4.5. The business plan is concerned with the future aims and objectives of UnitySP and how they are to be achieved; that includes matching UnitySP's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.

4.6. The form and content of the business plan are matters for UnitySP to decide but due regard should be given to matters included within the guidance to Academies and any annual guidance issued by the DFE/ESFA.

4.7. Each year the CEO will propose a planning cycle and timetable to the Trustees which allows for:

- ▲ A review of past activities, aims and objectives - "did we get it right?"
- ▲ Definition or redefinition of aims and objectives – "are the aims still relevant?"
- ▲ Development of the plan and associated budgets – "how do we go forward?"
- ▲ Implementation, monitoring and review of the plan – "who needs to do what by when to make the plan work and keep it on course" and
- ▲ Feedback into the next planning cycle – "what worked successfully and how can we improve?"

4.8. The timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the CEO.

4.9. The completed business plan will include detailed objectives for the coming academic year and outline objectives for the following two years. The plan should also include the estimated



resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.

- 4.10. For each objective the lead responsibility for ensuring progress is made towards the objective will be assigned to an Executive Leadership Team member. The responsible manager should monitor performance against the defined success criteria throughout the year and report to the senior management team on a quarterly basis. The Executive management team will report to the Trustees if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

### **Annual Budget**

- 4.11. The Director of Finance & HR is responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the CEO, the Risk & Audit Committee and the Trustees.
- 4.12. The approved Budget Forecast Return (BFR) must be submitted to the ESFA by a prescribed date in July each year and the Director of Finance & HR is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.
- 4.13. The expected Budget Forecast Return Outturn (BFRO) must also be submitted to the ESFA by a prescribed date, normally in May each year and the Director of Finance & HR is responsible for establishing a timetable for this
- 4.14. The annual budget will reflect the best estimate of the resources available to UnitySP for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the business plan objectives and the budgeted utilisation of resources.
- 4.15. The budgetary planning process will incorporate the following elements:
- ▲ ESFA grant estimates based on the previous year's census numbers;
  - ▲ Forecasts of the likely number of students to estimate the amount of ESFA grant receivable;
  - ▲ Review of other income sources available to UnitySP to assess likely level of receipts;
  - ▲ Review of past performance against budgets to promote an understanding of UnitySP cost base;
  - ▲ Identification of potential efficiency savings
  - ▲ Review of the main expenditure headings in light of the business plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.
  - ▲ The inclusion of any reserves/deficits from previous years and recovery plans as necessary.

### **Balancing the Budget**

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

will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.






### **Finalising the Budget**

- 4.17. Once the different options and scenarios have been considered, a draft budget should be prepared by the Director of Finance & HR for approval by the CEO, the Risk & Audit Committee and the Trustees. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints and their respective responsibilities.
- 4.18. The budget should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, it is easier for all concerned to take remedial action.

### **Monitoring and Review**

- 4.19. Monthly reports will be prepared by the Director of Finance & HR. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the CEO and the Chair of the Board.
- 4.20. Any potential overspend against the budget must in the first instance be discussed with the Director of Finance & HR. Payments to be made against an overspend must have the approval of the Director of Finance & HR.
- 4.21. 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 is not appropriate to vire money from another budget or from the contingency, it will simply be recorded as an overspend – all schools are targeted to ensure that their bottom-line budgets are balanced.

## **5. Payroll**







- 5.1. The main elements of the payroll system are:
  -  Staff appointment;
  -  Staff contract changes;
  -  Starters and leavers
  -  Payroll administration and
  -  Payments, including staff pay, National Insurance, Pensions and Taxation.

### **Staff Appointments**

- 5.2. The Trustees have approved an Executive personnel establishment for UnitySP in line with the Scheme of Delegated Authority. Changes can only be made to this establishment with the express approval in the first instance of the Risk & Audit Committee who must also ensure that adequate budgetary provision exists for any establishment changes.
- 5.3. The CEO has authority to appoint staff within the authorised establishment in line with the Scheme of Delegated Authority. The CEO (in conjunction with the Chair of Governors) will

appoint Headteacher's. The CEO (delegated to the Director of Finance and HR) maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the Director of Finance and HR immediately.




### **Payroll Administration**

- 5.4. UnitySP payroll is administered by an in-house payroll team and payroll transactions are entered/imported to PSFINANCIALS by the Finance Team. Access to the system is password controlled. Password control procedures and backup arrangements are described in section two of this manual.
- 5.5. All staff are paid monthly through the in-house Payroll system. A master file is created for each employee which records:
  -  Salary;
  -  Bank account details;
  -  Taxation status;
  -  Pensions;
  -  Personal details and –
  -  Any deductions or allowances payable.
- 5.6. New master files can only be created by UnitySP's Payroll Manager with the express approval of the Director of Finance & HR. Any master file amendments made by UnitySP's Payroll Manager must be printed out each month prior to the payroll run and must be authorised by the Director of Finance & HR. Any master file amendments made by the Director of Finance & HR must be authorised by the CEO.
- 5.7. Each school must complete a weekly HR update (WHRU spreadsheet) which provides details for all staff in the sections of sickness and other absences during the month and any new appointments or terminations. The staff return must be authorised by the nominated budget holder. Authorised staff returns should be submitted to UnitySP's Payroll Manager who then files the documents for payroll processing.
- 5.8. Each school, where necessary must submit an "Additional Hours" (AH) claim form to payroll to claim any over time or additional hours worked by staff in the month. All additional hour claims must be pre-approved by the Head Teacher in advance of the time being worked. The Head Teacher should indicate on the form which hours have been pre-approved, any time claimed that was not pre-approved may not be paid and will be escalated to the Director of Finance & HR for approval.
- 5.9. Before the start of each academic year UnitySP's Payroll Manager will prepare and distribute a timetable for payroll processing specifying key dates for the year. Data input to the payroll system should be undertaken by UnitySP's Payroll Manager in accordance with the timetable. Before the payroll is processed a file of all data input should be obtained and this should be checked against source documentation by UnitySP's Payroll Manager and appropriate Hub Finance Manager and then reviewed and approved by the Director of Finance & HR.

## Payments

- 5.10. After the payroll has been processed but before payments are dispatched a report (can be electronic) of salary payments by individual and showing the amount payable in total should be obtained from the system. The report must be reviewed and authorised together with authority to release payment by the Finance Team.
- 5.11. All salary payments are made by BACS on the last working day of the month.
- 5.12. The Finance team should prepare 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. This reconciliation should be reviewed and signed by the Director of Finance & HR.
- 5.13. The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions, as well as other smaller deductions for items such as childcare vouchers, child support agency payments etc.
- 5.14. The Director of Finance & HR should select ten employees at random each month and check the calculation of gross to net pay to ensure that the payroll system is operating correctly.
- 5.15. After the payroll has been processed the nominal ledger will be updated. Postings will be made both to the payroll control account and to individual nominal codes and cost centres. The Central Finance team should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual nominal codes and cost centres have been correctly updated and to identify any amounts posted to the net wages account.
- 5.16. On an annual basis the Director of Finance & HR and UnitySP's Payroll Manager must check a sample group of staff to ensure that the gross pay per the payroll system agrees to the contract of employment held on the personnel file in the HR office.

## 6. Purchasing

- 6.1. UnitySP is committed to achieving best value when purchasing goods and services. To enable this, goods and services should be acquired by competition and all purchasing should be based on good practice and in accordance with the following objectives:
  -  to supply UnitySP with the right goods and services, at the right time, at the most advantageous cost.
  -  to promote the delivery of value for money through good procurement practice, utilising the most cost efficient and effective methods.
  -  to facilitate the development of an effective and co-ordinated purchasing effort within UnitySP.

- ▲ to identify opportunities for working with others, to widen the scope for maximising purchasing power and identifying innovation.
- ▲ To develop lasting relationships with contractors and suppliers, whilst ensuring value for money (VfM) and continuing high performance can be demonstrated.
- ▲ to give due consideration to good governance, and to ensure transparency of arrangements.
- ▲ to consider sustainable, ethical, social and environmental policies.
- ▲ to comply with all relevant UK and EU legislation.
- ▲ to develop appropriate management information to measure the performance and VfM achieved in purchasing.

6.2. A large proportion of our purchases will be paid for with public funds and we 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 UnitySP or individuals;
- ▲ Accountability - UnitySP is publicly accountable for its expenditure and the conduct of its affairs; and
- ▲ Fairness - that all those dealt with by UnitySP are dealt with on a fair and equitable basis.







### **Routine Purchasing**

6.3. Budget holders will be informed of the budget available to them at the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. A report detailing actual expenditure against budget will be supplied to each budget holder with their management accounts and budget holders are encouraged to keep their own records of orders placed but not paid for.

To achieve best value purchase orders must be raised and approved prior to ordering. Staff raise a specific request to the Finance Team, and they will raise the purchase order following authorisation by the respective named budget holder.

6.4. Routine purchases can be ordered by budget holders. In the first instance a supplier should be chosen from the list of approved suppliers maintained by the Procurement Officer and held on PSFINANCIALS. A quote or price must always be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the Procurement Officer and the Director of Finance & HR.

6.5. Orders must bear the signature of the budget holder and must be forwarded to the appointed Hub Finance Manager where it will be checked to ensure adequate budgetary provision exists before authorising the order.

- 6.6. Orders are processed in the Central Trust Office, approved by the Head Teacher, Hub Finance Manager, or Director of Finance & HR or an appropriate member of the Executive Leadership Team and sent (e-mailed) to the suppliers.
- 6.7. The budget holder must make appropriate arrangements for the delivery of goods to UnitySP or individual school. On receipt the budget holder must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay.
- 6.8. If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Hub Finance Manager should be notified.
- 6.9. All invoices should be sent to the Central Trust Finance Office (where necessary some Secondary schools may continue to manage this locally). Invoice receipt will be recorded by the central processing team in the purchase ledger. The central processing team member will stamp invoices with a grid against which the following can be evidenced:
-  Invoice posted to purchase ledger;
  -  Goods/ services received as ordered;
  -  Authorisation for payment;
  -  Purchase ledger coding;
  -  Date of authorisation;
  -  VAT treated correctly and - Payment made.
- 6.10. Before completing this the budget holder must make a detailed check against the order. Budget holders must undertake these checks without undue delay and in any case within 7 days of invoice receipt.
- 6.11. If a budget holder is pursuing a query with a supplier, the Central Finance Team must be informed of the query and periodically kept up to date with progress.
- 6.12. When the budget holder has completed this check, the invoice should be sent to the Central Processing Team.
- 6.13. The Central Processing Team will then input details of payments to be made to the purchase ledger on PSFINANCIALS and generate the BAC's required. The BAC's payments and associated paperwork must be authorised by two members of the central Finance team.
- 6.14. Payments will be dispatched to suppliers by BAC's by the central Finance team in line with terms on the invoice and/or contract.
- 6.15. Goods received and or works completed over the value of £1,000 may be capitalised and added to the respective Asset register if they meet the relevant capital criteria.

For orders over £10,000 and up to £20,000 see Appendix A 'Record of Financial Responsibility'

### **Purchasing Thresholds**

6.16. The Purchasing Thresholds relate to the total contract value of the requirement, not just the annual value of the goods or services. It is not acceptable under any circumstances for purchases or contracts to be split into a number of lower value orders to avoid a quotation or tender threshold. If it is a one-off purchase, then the value is the best estimate of the goods or service.

The purchasing thresholds are shown in Appendix A 'Record of Financial Responsibility'.

### **Purchasing Routes**

6.17. At least three written quotations must be obtained for all orders between £5,001 and £20,000 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.






Please also refer to Appendix A 'Record of Financial Responsibility'.

6.18. All goods/services ordered with a contract value over £50,000, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures (further guidance below).

6.19. Purchases over (currently £189,330 for goods and services, and £4,733,252 for works) (correct as at January 2020), will be subject to EU procurement rules and require advertising in the Official Journal of the European Union (OJEU). Guidance on the OJEU thresholds is given in Annex 3d to the Academies Financial Handbook. The Procurement Officer should be contacted for all OJEU tenders.








### **Quotations & Formal Tenders**

6.20. When preparing a quotation request or tender, full consideration should be given to:

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

### **Invitation to Tender**

6.21. 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;
-  Terms and conditions of tender;
-  A review of past performance; 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 considered 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?
- ▲ Financial stability of the contractor should also be investigated.

### 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

6.22. The invitation to tender should state the date and time by which the completed tender document should be received by the Director of Finance & HR. Tenders should be submitted to the tender submissions email address (contact the Procurement Officer) and one hard copy supplied 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.

### Tender Opening Procedures

6.23. 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 as follows:

- ▲ For contracts up to £20,000 - two of the budget holders, the Director of Finance & HR or the CEO.
- ▲ For contracts over £20,000 – either the Procurement Officer, Director of Finance & HR or the CEO.

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



### **Tendering Procedures**






- 6.25. 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.
- 6.26. Those involved in making a decision must ensure that they do not accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.
- 6.27. Full records should be kept of all criteria used for evaluation for Auditors highlighting the relevant issues and recommending a decision.
- 6.28. Where required by the conditions attached to a specific grant from the ESFA, the department's approval must be obtained before the acceptance of a tender.
- 6.29. The accepted tender should be the one that is economically most advantageous to UnitySP. All parties should then be informed of the decision.

### **OJEU Tender**

- 6.30. UnitySP acts as one legal entity which means it is subject to EU Procurement Legislation when purchasing goods, services and works. As such we are required to aggregate spend in categories, such as stationery, grounds maintenance, repairs etc and if they exceed the current EU thresholds then we are legally obligated to formally tender our requirements using the OJEU process or find a suitable complaint route to market such as a framework agreement.

### **Employee, Governor, Trustee and Volunteer Travel & Expense Reimbursements**

For the purposes of this section of the policy staff, governors, trustees, and volunteers are all entitled to claim expense reimbursements equally. There are no separate policies for governors, trustees, or volunteers.

- 6.31. Where possible all expenses should be paid directly by UnitySP in line with the procedures outlined under section 6.2, however from time to time it will be necessary for members of staff to incur costs on behalf of UnitySP. Such expenses will be fully reimbursed as long as they meet the following criteria:
  -  The expense should be appropriately approved prior to being incurred;
  -  A current MAT expense claim form must be used to claim back any expenses;
  -  A copy of the receipt should be submitted with the claim;
  -  Any expenses must be claimed within 3 months of occurrence;
  -  All expense forms must be signed and dated by the claimant as well as the approver.
- 6.32. UnitySP operates from many sites and as such some members of staff are regularly required to travel between sites / schools. UnitySP is happy to reimburse staff and Governors for their travel costs subject to the following:

- ▲ The journey taken is for business purposes only.
- ▲ The mileage claimed is for the full length of the journey less the normal home to place of work mileage (e.g. if I am travelling to a school in Ipswich from home and the journey is 45 miles, but my normal home to work journey is 20 miles, the claim should be for 25 miles only).
- ▲ Home to work travel may only be claimed if a member of staff has to return to their main place of work after the normal working hours, for example for a parents' evening or other school / Trust event.
- ▲ Staff are expected to make use of public transport where it is available, unless its use results in considerable inconvenience, expense or if it is not a viable option due to non-availability of public transport, a disability or the need to take equipment or passengers.
- ▲ All staff are encouraged to undertake car-sharing where possible and when travelling to the same venue.
- ▲ Rail fares: the actual cost incurred for standard return second class tickets will be reimbursed. Staff should seek the lowest fare available for the journey and the time of day. Wherever feasible, advance booking should be used to secure the cheapest fare. However, line/business managers should not unreasonably withhold full reimbursement when it has not been possible to book in advance. It is only normally possible to pre-book longer rail journeys. Used tickets or a receipt should be retained.
- ▲ Bus and underground fares. Expenses can be claimed as incurred. A copy of the bus tickets or receipts should be as a record of the cost.
- ▲ Taxi fares. As incurred for short journeys **only** if there is no other viable means of transport. Where a journey might require a taxi from home to a station, or from station to destination, line managers should consider whether it would be cheaper and/or more practicable /safer for the staff colleague to use a car.
- ▲ Where travel by public transport is impractical, the rate of reimbursement for car mileage will be at a fixed rate, currently 45p per mile for the first 10,000 miles, thereafter the rate is 25p per mile. (Fully electric cars can be claimed at 0.04p per mile, hybrid cars are currently at the same as petrol or diesel cars). As this rate of reimbursement is at the level determined by HMRC, no tax liability exists in respect of the sum reimbursed.
- ▲ Reasonable car parking expenses will be reimbursed on production of a receipt.
- ▲ Motorcycles: as follows:

| Cc band     | Pence per mile |
|-------------|----------------|
| Up to 150cc | 19.97p         |
| 151 – 500cc | 24.00p         |

|            |        |
|------------|--------|
| Over 500cc | 24.00p |
|------------|--------|

Members of staff using their own vehicle in the course of their employment must ensure that their car insurance policy covers business journeys undertaken on behalf of their employer. Anyone claiming mileage reimbursement must confirm they have appropriate insurance, a valid MOT and appropriate road tax on their vehicle when claiming any business travel expenditure.

6.33. From time to time candidates may request reimbursement of travel costs to interviews. UnitySP are happy to reimburse mileage and reasonable travel costs (public transport at standard class), however any additional costs such as hotel accommodation or subsistence must be approved by the appropriate Head Teacher or Executive Team member in advance of the costs being incurred and may be refused if deemed unnecessary.

6.34. UnitySP will reimburse staff for the cost of subsistence if they are required to travel or stay away from home overnight. Staff should be sensible and reasonable when choosing where to eat as excessive claims may be rejected. Under no circumstances should staff claim the reimbursement of alcoholic drinks. When considering if an expense for meals should be reimbursed Managers should consider that funding for education comes from the taxpayer.






Reimbursement for meals and subsistence should be supported with an appropriate receipt, for clarity any items not being claimed should be struck through.

HMRC's guidelines state: £5 for qualifying travel of 5 hours or more, £10 for qualifying travel of 10 hours or more; and £25 for qualifying travel of 15 hours or more; and, where the travel is ongoing after 8pm. If these rates are exceeded, tax/NIC is due on the excess.

## 7. Income

7.1. The main sources of income for UnitySP are the grants from the ESFA and from our sponsors. The receipt of these sums is monitored directly by the Director of Finance & HR who is responsible for ensuring that all grants due to UnitySP are collected.

7.2. UnitySP also obtains income from:

-  Catering services;
-  Parents/carers of Students, mainly for trips and purchase of resources;
-  Donations from Parent Associations and local businesses;
-  Uniform sales;
-  The public, mainly for sports lettings.

### **Trips**

7.3. Prior to approval of any trip a lead teacher must be appointed. The lead teacher must present a costing sheet detailing a breakdown of the costs and thus the expected cost per pupil, to include an allowance for those children in receipt of pupil premium. Parents can request to see this at any time.

- 7.4. The lead teacher must take responsibility for the chasing of sums due. The lead teacher must prepare a record for each student intending to go on the trip showing the amount due. A copy of the record must be given to the school office.
- 7.5. Students should make payments electronically via on-line payment methods individual to each school (e.g. Parent Pay / SchoolComms).
- 7.6. The Office team should maintain an up to date record for each student showing the amount paid and the amount outstanding. This record should be sent to the lead teacher on a weekly basis and the lead teacher is responsible for chasing the outstanding amounts.

### **Custody**



- 7.7. Cash and cheque payments are not encouraged at any Trust school. In the event that a parent is unable to make an on-line payment, they should be advised to contact the Director of Finance & HR directly to arrange payment. On the rare occasion that cash and cheques are received in schools they must be kept in a safe prior to banking. There should be no requirement for school staff to visit the bank, however if necessary, banking should take place every week or more frequently if the sums collected exceed the £10,000 insurance limit.
- 7.8. Monies collected must be banked in their entirety in UnitySP bank account. The Central Finance team are responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system. The reconciliations must be prepared promptly after each month end and must be reviewed and certified by the Director of Finance & HR.

## **8. Cash Management**

### **Bank Accounts**

- 8.1. The opening of any bank 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**

- 8.2. Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in the cash 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 see Appendix 'Record of Financial Responsibility'

- 8.3. All payment instruments authorising withdrawal from MAT bank accounts must bear the signatures of at least two authorised signatories.

- 8.4. This provision applies to all accounts, public or private, operated by or on behalf of the Trustees of UnitySP. Authorised signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure.

#### **Administration**

- 8.5. The Director of Finance & HR 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 UnitySP's cash booking PSFINANCIALS.
-  Reconciliations are prepared and completed by Central the Finance team.
-  Reconciliations are subject to an independent monthly review carried out by the Director of Finance & HR.
-  Adjustments arising are dealt with promptly.

#### **Petty Cash Accounts**

- 8.6. MAT Schools are not permitted to hold any petty cash on site.

#### **Cash Flow Forecasts**










- 8.7. The Director of Finance & HR is responsible for preparing cash flow forecasts to ensure that UnitySP has sufficient funds available to pay for day to day operations.



#### **Investments**

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






## 9. Fixed Assets

#### **Asset Register**

- 9.1. All items purchased with a value over UnitySP's capitalisation limit (£1000) must be entered in an asset register. The asset register should include the following information:
-  Asset description
  -  Asset number
  -  Asset type
  -  Serial number
  -  Date of acquisition
  -  Asset cost
  -  Source of funding (% of original cost funded from ESFA grant and % funded from other sources)
  -  Expected useful economic life
  -  Depreciation

-  Current book value
-  Location

9.2. The Asset Register helps:

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

### Security of Assets

9.3. Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.

9.4. All the items in the register should be permanently and visibly marked as UnitySP's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Trustees. Inventories of MAT property should be kept up to date and reviewed regularly. Where items are used by UnitySP but do not belong to it this should be noted.

### Disposals

9.5. Items which are to be disposed of by sale or destruction must be authorised for disposal by the Director of Finance & HR and, where significant, should be sold following competitive tender. UnitySP must seek the approval of the ESFA in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

9.6. Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence UnitySP obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as UnitySP would need to ensure licences for software programmes have been legally transferred to a new owner.

9.7. UnitySP is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other MAT assets. If the sale proceeds are not reinvested, then UnitySP must repay to the ESFA a proportion of the sale proceeds.

9.8. All disposals of land must be agreed in advance with the Secretary of State.




### Loan of Assets

9.9. Items of MAT property must not be removed from MAT premises without the authority of the respective Headteacher, CEO and/or Director of Finance & HR. A record of the loan must be recorded in a loan book and booked back in when it is returned. Staff equipment e.g. laptops are clearly designed for mobility and will be easily identified to the individual via the asset register.

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 should therefore be kept under review and any potential benefits discussed with UnitySP's auditors. The Director of Finance & HR should be made aware immediately of any situations where this may be the case.

## 10. Bad Debts

Wherever possible, income due will be collected before or at the time the relevant sale or service is provided. If this is not possible, a debtor's account will be issued. However, to ensure sound internal control, staff who raise debtors accounts, should not also have the authority to write off debts. The VAT element (if applicable) of any debt must not be written off, as this contravenes HM Revenue & Customs statutory requirements. 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 - 1st reminder
-  6 weeks from date of account - 2nd reminder
-  8-10 weeks from date of account - Final reminder

The final reminder is sent from UnitySP by recorded delivery and advises that legal action will be taken 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 will be considered, and the debtor will be informed of this in writing by the Central MAT Team.

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 the following procedures: -

- a) Any debt up to the value of £45,000 in one single transaction or equivalent of 2.5% of total annual income cumulatively can be approved by the Director of Finance & HR and / or the CEO.
- b) Small amounts up to the value of £100 relating to pupils for the purpose of dinner monies, schools trips, music lessons etc. can be approved by the Head of Finance and/or Director of Finance & HR. Likewise any amounts over £100 but less than £1,000 should be approved by the Local Governing Bodies.
  - a. If a child moves from one of UnitySP Primary schools to one of its Secondary (or Special) schools and debts remain outstanding against that child or his/her family, the debt will follow the child and transfer to the ledger of the receiving school.
  - b. Where a debt is lodged against an individual child in any one school, the school retains the right to withhold services or provisions to any other family members within the same school. This is most relevant for schools' trips where places are limited.

- c. School meals will not be unreasonably withheld from a child if dinner monies remain outstanding for more than 4 weeks, but the school retains the right to provide a basic sandwich lunch instead of a hot dinner until the debt is cleared.
- c) For amounts over £45,000 or 2.5% of total annual income the Director of Finance & HR on behalf of UnitySP must provide 30 days' notice to the Secretary of State for Education of its intention to write off any debts owed to it as set out in Section 83 of Schools Funding Agreement. This notice is required whether or not the circumstances require the Secretary of State for Education's approval (see below).
- d) Those debts below the value set out in the Annual Letter of Funding can then be approved and written off by the Director of Finance and / or the CEO and reported to the Risk & Audit Committee at the next meeting in accordance with section 2.67 of the Academies Financial Handbook.
- e) Any proposed write off of debts 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 Schools Funding Agreement.

UnitySP will retain a Bad Debt Write-Off Summary.

## 11. School Charges and Remissions Policy

### A. General

1. The Trustees recognise the valuable contribution that a wide range of activities, including educational visits and residential experiences, can make towards students' personal and social education. Such activities should be seen as an integral part of a broad and balanced curriculum for all students.
2. The Trustees aim to encourage and promote such activities both as part of a broad and balanced curriculum for the students at the School and as additional, optional activities.

### B. Charges

1. The Trustees reserve the right to make a charge for the following activities organised by the School:
  - a. those organised for students outside of school hours or otherwise deemed to be an optional extra as defined in the Education Act;
  - b. those involving a board and lodgings element and deemed to be within school hours;
  - c. individual instrumental tuition which takes place within school hours, unless it forms part of the syllabus of a prescribed public examination or the National Curriculum;
  - d. those involving the purchase or hire of instruments, materials, equipment and clothing (or the provision of them by students or parents) in cases where it has discretion so to do.



2. Where a student has not been prepared for a public examination by the School, the Trustees may make a charge for the cost of entering the student for the examination if previously agreed by the parents.
3. If a student fails without good reason to complete the examination requirements for any public examination for which the Trustees has paid (or is liable to pay) an entry fee, then the Trustees may recover the fee from the parents.
4. Where the preparation provided by the School would enable a student to take 2 or more alternative examinations in syllabuses for prescribed public examinations, the Trustees would only be required to enter the student for one examination free of charge, entry fees for additional examinations would have to be paid for by parents.
5. Where the Trustees of the School makes a charge in respect of an activity provided by the School for which provision is included in the School's budget share, the Trustees will take account in its resource allocation formula of the relevant proportion of the income accruing to the School for that activity.
6. Nothing in this policy statement precludes the Trustees from inviting parents to make voluntary contributions towards the cost of providing education for students.

### **C. Remissions**

7. Where the parents of a student are eligible for Pupil Premium\*, the Trustees will remit contribute towards the cost of board and lodgings for any residential activity that it organises for the student if the activity is deemed to take place within school hours or where it forms part of the syllabus for a prescribed public examination or the National Curriculum.
8. Contributions will be determined on a trip by trip basis and agreed in advance.
9. Where the parents of a student are eligible for Pupil Premium\*, the Trustees may offer support for educational school trips, revision materials, music tuition and other chargeable educational activities.
10. For students eligible for Free School Meals, the Trustees may support the parents in purchasing School uniform.
11. In other circumstances there may be cases of family hardship that make it difficult for students to take part in particular educational activities for which a charge is made. Parents can apply for remission of charges in part or in full. Application should be made to the Headteacher who will consider the request on behalf of the Trustees.

\*Pupil Premium eligibility is when a parent is either currently claiming Free School Meals or has been over the previous six (6) years. This enables the School to claim additional funding for this support.

## 12. Fraud Policy

### **Introduction**

UnitySP requires all Staff and Trustees to act honestly and with integrity at all times and to safeguard the public resources for which they are responsible. UnitySP will not accept any level of fraud or corruption; consequently, any case will be thoroughly investigated and dealt with appropriately. UnitySP is committed to ensuring that opportunities for fraud and corruption are reduced to the lowest possible level of risk.

### **What is Fraud?**

No precise legal definition of fraud exists; many of the offences referred to as fraud are covered by the Theft Acts of 1968 and 1978. The term is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. With respect to UnitySP this applies to all areas of UnitySP's business and activities.

"Fraud" is usually used to describe depriving someone of something by deceit, which might either be straight theft, misuse of funds or other resources, or more complicated crimes like false accounting and the supply of false information. In legal terms, all these activities are the same crime – theft.

### **Avenues for Reporting Fraud**

UnitySP has in place systems for reporting suspicions of fraud. Trustees and members of staff should report any such suspicions in line with UnitySP's Whistle Blowing Policy. All matters will be dealt with in confidence and in strict accordance with the terms of the Public Interest Disclosure Act 1998. This statute protects the legitimate personal interests of staff. UnitySP's Whistle Blowing Policy provides further information. Vigorous and prompt investigations will be carried out into all cases of actual or suspected fraud discovered or reported.

### **Responsibilities**

The Academies Financial Handbook is the Department for Education's financial guide for the governing bodies and managers of academies. Drawing on the overall financial requirements specified in MAT Funding Agreements, it provides detailed guidance on a wide range of financial management, funding and accounting issues.

The Academies Financial Handbook sets out the overall governance framework for academies and describes the key systems and controls that should be in place. It describes the grants that the Department makes available and specifies the financial reporting/budget management arrangements that must be followed by academies to ensure accountability over the substantial amount of public funds that they control. It also discusses in detail the requirements for preparing an annual trustees report and accounts in order to comply with Company Law, Accounting Standards and Charity Commission expectations.

The CEO as the Accounting Officer is responsible for establishing and maintaining a sound system of internal control that supports the achievement of UnitySP's policies, aims and objectives. The system of internal control is designed to respond to and manage the whole range of risks that UnitySP faces. The system of internal control is based on an on-going process designed to identify the principal risks,

to evaluate the nature and extent of those risks and to manage them effectively. Managing fraud risk will be seen in the context of the management of this wider range of risks.

Overall responsibility for managing the risk of fraud has been delegated to the CEO.

The responsibilities of the CEO therefore include:

- ▲ Developing a fraud risk profile and undertaking a regular review of the fraud risks associated with each of the key organisational objectives in order to keep the profile current;
- ▲ Establishing an effective anti-fraud policy and fraud response plan, commensurate to the level of fraud risk identified in the fraud risk profile;
- ▲ Designing an effective control environment to prevent fraud commensurate with the fraud risk profile;
- ▲ Establishing appropriate mechanisms for:
  - reporting fraud risk issues;
  - reporting significant incidents of fraud to the Accounting Officer;
  - external reporting in compliance with Company Law, Accounting Standards and Charity Commission expectations.
  - coordinating assurances about the effectiveness of anti-fraud policies to support the Statement of Internal Control;
- ▲ Liaising with the Risk & Audit Committee on issues of fraud prevention, detection, and management;
- ▲ Making sure that all staff are aware of the organisation's anti-fraud policy and know what their responsibilities are in relation to combating fraud;
- ▲ Developing skill and experience competency frameworks;
- ▲ Ensuring that appropriate anti-fraud training and development opportunities are available to appropriate staff in order to meet the defined competency levels;
- ▲ Ensuring that vigorous and prompt investigations are carried out if fraud occurs or is suspected;
- ▲ Taking appropriate legal and/or disciplinary action against perpetrators of fraud;
- ▲ Taking appropriate disciplinary action against supervisors where supervisory failures have contributed to the commission of fraud;
- ▲ Taking appropriate disciplinary action against staff who fail to report fraud;
- ▲ Taking appropriate action to recover assets;

- ▲ Ensuring that appropriate action is taken to minimise the risk of similar frauds occurring in future.

All managers are responsible for:



- ▲ Ensuring that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively;
- ▲ Preventing and detecting fraud;
- ▲ Assessing the types of risk involved in the operations for which they are responsible;
- ▲ Reviewing and testing the control systems for which they are responsible regularly;
- ▲ Ensuring that controls are being complied with and their systems continue to operate effectively;
- ▲ Ensuring that those employees for which they are responsible have regular training;
- ▲ Implementing new controls to reduce the risk of similar fraud occurring where frauds have taken place.

Every member of staff is responsible for:

- ▲ Acting with propriety in the use of official resources and the handling and use of public funds whether they are involved with cash or payments systems, receipts or dealing with suppliers or UnitySP's decision-making bodies;
  - Conducting themselves in accordance with the seven principles of public life set out in the first report of the Nolan Committee "Standards in Public Life". They are: selflessness; integrity; objectivity; accountability; openness; honesty and leadership.
- ▲ Being alert to the possibility that unusual events or transactions could be indicators of fraud;
- ▲ Reporting details immediately through the appropriate channel if they suspect that a fraud has been committed or see any suspicious acts or events;
- ▲ Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

Members of the Trust Board are responsible for:

- ▲ Ensuring that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively;
- ▲ All members are responsible for abiding by UnitySP's policies and regulations and the guidance on Codes of Practice for Board Members of Public Bodies;
- ▲ Being alert to the possibility that unusual events or transactions could be indicators of fraud;

-  Reporting details immediately through the appropriate channel if they suspect that a fraud has been committed or see any suspicious acts or events;
  
-  Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations

UnitySP's Risk & Audit Committee:

UnitySP has decided to include the Resources Committee function within the Terms of Reference for the Risk & Audit Committee.

## 13. Gift and Hospitality Policy

### 13.1. General

This is UnitySP's approved Code of Conduct relating to the offer and/or acceptance by staff and/or trustees of gifts and hospitality of whatever nature from outside individuals or organisations.

Within the terms of the Code, staff, LGB's and Trustees are expected to exercise common sense. If they are in any doubt, they must consult the CEO and Chair of Trustees and in every case declare the acceptance of a gift or hospitality to the Director of Finance & HR who will report it in the register kept by UnitySP, using UnitySP's 'Declaration of Gifts and Hospitality' form.

The process set out is designed to safeguard Trustees and staff from any misunderstanding or criticism.

The general principles which govern gifts and hospitality are: -

- a) Offers of hospitality should only be accepted if there is a genuine need to represent UnitySP.
- b) Gifts should only be accepted in exceptional circumstances.
- c) The Code of Conduct applies to all Trustees, Governors and staff of UnitySP.
- d) To determine whether a gift or hospitality is acceptable, the 'PROVEIT' (see section 13.8) test should be applied by staff and referred to the CEO/Chair of Trustees if in doubt.
- e) Registers are accessible for viewing by the following appropriate officers: CEO, Trustees, Reporting Officer, Director of Finance & HR, External Auditors, and Responsible Officer.
- f) Any request by a member of the public to view the Register of Declarations of Gifts and Hospitality will be referred to the CEO. In considering any request, they will balance the requirement for UnitySP to be open and transparent against the requirements of the Data Protection Act 1998.

### 13.2. Hospitality

13.2.1. The following principles should be followed in deciding whether or not to accept hospitality: -

- a) Staff, LGB's and Trustees should ask themselves whether members of the public, knowing the facts of the situation, could reasonably think that they might be influenced by the hospitality offered. If the answer is yes, the hospitality should be declined. In making judgements, relevant facts to consider include the person or organisation offering the hospitality, its scale and nature, and its timing in relation to decisions to be made by UnitySP.

- b) Care should be taken to avoid situations in which an individual Trustee or member of staff is the sole person invited to partake of hospitality or where it creates a pattern of receiving hospitality from that organisation.

13.2.2. Examples of when it may be proper to accept hospitality (always depending upon the circumstances) are as follows: -

- a) Attendance at conferences, events and demonstrations of equipment organised by outside bodies where there is a service interest.
- b) Attendance at events or functions where there is a demonstrable need for UnitySP to be represented to either give or to receive information or to participate as part of UnitySP's corporate image.
- c) Attendance at events or functions which are part of the civic, cultural or sporting life of UnitySP.
- d) Working lunches where this is an appropriate and effective way of conducting business and the refreshments provided are on a reasonable level.

13.2.3. Overnight hospitality linked to any of the above should not be accepted.

### 13.3. **Gifts**

All personal gifts should be refused or donated to charity unless they come within the categories set out in 3(1) or 3(2) below.

13.3.1. Gifts of the following type may be accepted: -

- a) modest gifts of a promotional character, e.g. calendars, diaries and other similar articles. See also point 4; and
- b) gifts on the conclusion of any courtesy visit to an outside organisation of a sort normally given by that organisation.
- c) Gifts up to £50 in value.

13.3.2. Gifts which are intended for UnitySP as a corporate body or intended for a MAT can be accepted but must not be retained by the individual who receives them. Such gifts should be passed to UnitySP as appropriate.

### 13.4. **Registration of Gifts and Hospitality**

Staff must, within 28 days of accepting any gift or hospitality, provide written notification to the Director of Finance & HR using the 'Declaration of Gifts and Hospitality' form. All offers accepted should be recorded in case of any queries, in particular through Freedom of Information requests.

The Declaration of Gifts and Hospitality forms must be completed in full, setting out full details of the offer or the gift and or hospitality received as well as:

- ▲ estimated or actual value;
- ▲ an indication from the CEO or Director of Finance & HR as to why acceptance of the offer is authorised;
- ▲ the employee’s/Trustee’s printed full name and signature; and
- ▲ the CEO or Director of Finance & HR’s s printed full name and signature.

### 13.5. Monitoring

UnitySP maintains a register of gifts and hospitality accepted.

If there are no declarations of gift/hospitality, a nil return should be made. The pro-forma, detailing the individual declarations, and nil returns should be obtained. Copies of these forms should be attached to the annual declaration that confirms that the Register is up to date.

UnitySP monitors the Register annually and reports the outcome to the Board of Trustees/Risk & Audit Committee. Any concerns/issues identified should be noted and an action plan put in place.

### 13.6. Penalties for breaching the Code

UnitySP’s disciplinary procedures may be applied where it is found that breaches of the Code have occurred.

### 13.7. Full Trustees – Monitoring of the Code

As part of its role in promoting high standards of conduct, the Board of Trustees will receive annual reports on the monitoring of the Code.

### 13.8. Retention of Documentation

Documentation in the Register will be kept for seven years.

### Managing the Receipt of Gifts and Hospitality

The **PROVEIT** test: Whether or not the offer is acceptable:

|                 |   |
|-----------------|---|
| <b>PURPOSE</b>  | Token, thanks or seeking favour?<br>(token of thanks: yes; favour: no)      |
| <b>RULES</b>    | What are they? Does this situation confirm?                                 |
| <b>OPENNESS</b> | Is the offer transparent?   |
| <b>VALUE</b>    | Expensive or inexpensive  |
| <b>ETHICS</b>   | Does the offer fit with MAT ethics?<br>Is this an exceptional circumstance? |
| <b>IDENTITY</b> | Who has made the offer?   |
| <b>TIMING</b>   | Are you about to make a decision affecting the giver?                       |




## 14. Donations and Gifts Acceptance Policy

Unity Schools Partnership and its associated academies are sometimes offered charitable donations to support the school in some way. UnitySP has a duty to maximise the resources available for that purpose. If we choose to refuse a donation, we must be able to demonstrate to the Charity Commission that we have acted in line with our objects.

The Trust's position towards a contentious donor or donation is not the sum total of the personal beliefs of our Trustees, Governors, staff or other stakeholders, it is determined by whether our charitable objects are adversely affected by association with that donor or gift.

Three core principles and a set of key questions will guide decision-making about whether (or not) a donation or gift should be accepted.











### Core principles

-  The Trust (or any of its academies) will only accept charitable support that helps us to fulfil, and which can be utilised effectively in pursuit of, its vision and values.
-  The Trust only accept gifts that support and do not compromise the Trust's core activities.
-  The Trust will be transparent about the sources and purposes of gifts received.

### Key questions

When considering acceptance of a donation, particularly but not limited to gifts which may have a controversial dimension, the Trust will consider and be guided by the following questions.

Does the gift:

-  Arise in whole or in part from an activity that involved criminality, fraud or the evasion of taxation?
-  Require action that is illegal?
-  Seriously damage the Trust's reputation?
-  Create unacceptable conflicts of interest?
-  Involve unlawful discrimination based upon race, religion, sex, age, national origin, colour, disability or upon any other basis prohibited by law?
-  Require the Trust to deviate from its normal hiring, promotion, and contracting procedures?
-  Require unacceptable expenditure of additional Trust resources?
-  Limit the effectiveness of other work being undertaken by the Trust?
-  Harm the Trust's relationship with its members, other donors and sponsors, partners, families or potential supporters?
-  Contravene the Trust's policies that relate to anti-bribery and corruption?



When asking for or confirming receipt of donations, all Trust staff and volunteer representatives must make the Director of Finance & HR aware if they are aware, or in any doubt, as to whether there are features of the gift which may conflict with the above core principles, or to which a key question answer is 'yes'.

In such cases, it is the Director of Finance & HR's responsibility to alert the CEO as soon as possible after he/she has been made aware, certainly before any planned 'ask' is made, and to provide a due diligence report for the CEO and the Chair of Trustees. The CEO and Chair may then commission further investigations before giving approval or – if doubt remains – referring the matter to the Risk and Audit for final judgement.

In cases where a donor wishes to remain anonymous, anonymity will be respected provided the name of the donor is known to the Director of Finance & HR, CEO and Chair of Trustees, and the Trust is satisfied, through the procedure set out, that any conflicts of interest are resolved before accepting the donation.

All due diligence and decision-making undertaken in assessing the acceptability or otherwise of a proposed donation will recognise the legal and reputational rights of potential donors. A clear distinction will be drawn between rumour or speculation and matters of confirmed fact or legal finding.

An annual report will be made to the Risk and Audit Committee as to any changes to this policy or its implementation, and a list of accepted and rejected gifts.

### **Draft Process for the Acceptance of Gifts**

Taking into account the principles above, all donations will be subject to basic gift acceptance procedures.

Written records must be kept for all donations. At a minimum, this must include the donor's name, their contact details, the amount and date of the gift, and the specific allocation of the gift if there is one. All gifts above £100,000 must have a written Gift Agreement including the above.

Gift Agreements must be signed by someone other than the member of staff who has secured the gift.

Approvals for Gift Agreements are determined by gift size, and approval should be based on due diligence checks conducted at the appropriate level. Appropriate details of the checks will be recorded and retained by the Director of Finance & HR.

- Gifts under £100,000 – signed by the Head Teacher and Director of Education
- Gifts £100,000-£1m – signed by the Director of Finance & HR or the CEO
- Gifts £1m+ – counter-signed by the Chair of Trustees

If any concerns are raised about a potential gift, each approver may seek additional validation, both from the next level of approver as well as from the Risk and Audit Committee. The Risk and Audit Committee will act as the de facto Ethics Committee should the need arise and will make recommendations as to whether to accept a gift or not. Appropriate details of decisions will be recorded in the minutes of the meetings.

## 15. Lettings Policy

### Introduction

Prior to the letting taking place, this document and UnitySP's Policy for Health and Safety should be provided to the hirer who must sign to confirm that they have read and accepted these terms and conditions.









### Definitions

Hirer - The person or organisation entering into the contract with UnitySP











User - Those people making use of the premises hired under a letting agreement between UnitySP and the hirer

Steward – The person or persons 'supervising' or organising the users

### General Conditions

-  Lone working procedures need to be in place to cover the person unlocking/locking up and other support activities. Separate guidance on lone working is available if required.
-  The hirer is responsible for the health and safety issues, not UnitySP. All statutory requirements must be observed, and MAT specific requirements complied with.
-  Lettings may occur during the hours of darkness. Adequate and sufficient lighting is provided inside and outside the premises to assist with safe access and egress, including around the car park. As the hirer is in control of such lighting, they will be shown where the switches are. Stewards must have torches to assist in the event of an evacuation as there is no internal emergency lighting.
-  Details of vehicle and pedestrian entrances and exits, parking facilities, toilets etc. are made known to the users.
-  UnitySP will accept no responsibility for damage howsoever caused to vehicles and other property while the user is on UnitySP site. Parking is made available only on the basis that it is at the vehicle owner's risk. The hirer is asked to arrange for users to park in designated areas only.
-  The hirer must ensure that only that part of the building hired is used and must observe any instructions given by the site supervisor/ member of MAT staff concerning the area available.
-  Hirers are responsible for signing in and for monitoring persons on site, so that in the event of an emergency, all persons can be accounted for.
-  Hirers will be acquainted with the emergency and evacuation procedures (which are on display), including the location of the fire alarms, extinguishers and emergency exits and muster points during a premises familiarisation session in advance of the actual hiring. Once completed the hirer takes responsibility for briefing other users associated with the hiring.

They must also carry out their own fire drills. Fire appliances must not be removed or tampered with other than for firefighting purposes. The hirer will ensure that the users' activity is not so loud or otherwise obtrusive as to render the fire alarms ineffective. The hirer is responsible for drawing up specific evacuation plans for any disabled people. Procedures are in place in the event of a fire alarm call point being set off accidentally. Fire exits must not be blocked or locked, nor should furniture, equipment, or other obstructions be placed in corridors during the hiring. Hirers may legitimately request to see UnitySP's fire risk assessment.

-  Rooms that are made available to hirers are checked periodically (not less than once per term) to ensure that they are in a suitable condition for the specific activity that any lettings will involve. Records of such inspections are kept. UnitySP is not responsible for the users' activities but is assured that the activity and the hired room/equipment available are compatible.
-  Any precautions required to ensure the users' safety when using equipment are the responsibility of the hirer. Equipment will be provided by the hirer and not by UnitySP. All mains powered electrical equipment brought onto the premises must be safe and evidence may be required that it has a valid test and inspection certificate (the certificate should not be less than one year old for earthed equipment, or less than 4 years old for double insulated equipment). Lower voltage equipment must also be safe and in good condition.
-  The cost of any maintenance or repair work which is necessary because of the hirer's/user's activities will be borne by the hirer.
-  It is the responsibility of the hirer to provide first aid equipment and trained personnel.
-  Smoking is not allowed in any part of UnitySP premises, this include the use of e-cigarettes and vapes.
-  The hirer shall not allow so many users into the premises as to exceed the seating and/or dancing capacity of the premises. Even if the stated capacity is not exceeded, the hirer will not use the space provided in such a way as to create conditions of overcrowding or to impede safe and effective escape from the premises in an emergency.
-  The hirer shall provide a sufficient number of stewards as may be necessary to ensure adequate and efficient supervision of the users during the letting.
-  UnitySP CEO reserves the right to have a member of MAT staff present throughout the letting and to put a stop to any event that is not properly conducted.
-  The hirer is responsible for providing access to a mobile telephone for emergency purposes.
-  Hirers must have regard to the national standards of qualification, experience and overall competence of instructors/supervisors/coaches for sporting and other activities.

- ▲ The hirer must ensure that risks associated with the activity are properly controlled throughout the hire period and that the premises are returned to the control of UnitySP in a clean and satisfactory condition including replacing any furniture that has been moved. Any specialist cleaning or disinfection required as a result of the hirer's/user's activity in the premises will be the sole responsibility of the hirer.

### **Insurance**

It is the responsibility of the hirer to effect suitable public liability and other relevant insurance cover. As a general rule cover up to £5 million is required. A copy of the policy should be available upon request.

### **In the event of an incident, fire or near miss**

UnitySP will ensure that Incident Report forms are made available to the hirer who in turn, must ensure one is completed whenever necessary. UnitySP will follow up the report to ensure that it is completed correctly and that an investigation is undertaken. A review of the risk assessment for the activity will be required from the hirer.

### **License**

The hirer is responsible for ensuring that any necessary licenses required for a particular event have been obtained (such as theatre, performing rights or cinematograph licenses).

## **16. Pecuniary Interest Policy**

Code of Conduct for MAT Board Members & Staff

### **Register of Disclosure of Interests - Notes of Guidance**

The public is entitled to expect the highest standards of conduct from all employees who work for UnitySP. Under UnitySP's Code of Conduct, all staff, including temporary employees, are required to disclose to the CEO the interests set out below. This must be done within 28 days of the interest becoming apparent.

#### **16.1. Register of Relationships with Contractors and Suppliers of Goods and Services**

##### **a) Award of orders and contracts**

Employees who are responsible for the award of orders and contracts should make known, in writing, to the CEO all relationships of a business or private nature that they have with contractors and other suppliers of goods and services. An explanation as to the exact nature of the relationship should be made and whether or not the company or business has in the past or currently supplies goods or services to UnitySP or has a contract with UnitySP.

##### **b) Relationships in a private or domestic capacity**

Employees who, in the course of their job, engage or supervise contractors and suppliers or have any other official relationship with contractors and/or have had, or currently have, a relationship in a private or domestic capacity with contractors (or their senior staff) should make this known to their CEO.

## 16.2. Personal Interests

### Conflict of interests

Employees must declare in writing to their CEO any financial or nonfinancial interests which could reasonably be considered to conflict with UnitySP's interests.

UnitySP will ensure:

- a) that employees and Trustees (including temporary employees) are regularly advised of the need to make such declarations,
- b) that employees personally print and sign their name on the declaration,
- c) that employees give their declaration of interest form to the CEO for authorisation,
- d) that the Registers are kept up to date,
- e) that the Board of Trustees is advised annually that the register is up to date and the name of the person responsible for the register and where they can be located.

Ongoing disclosures need to be submitted in every return, even if they have been previously disclosed. The Register is a living document and the previous returns form part of the Register. The returns should be kept for seven years.

The 'keeper' of the register should ensure that they obtain either a nil return, or pro-forma which provides the details of the individual declarations.





The Register is accessible for viewing by appropriate officers during office hours. Any request by a member of the public to view the Register of Officers' Interests will be referred to the CEO. In considering any request, he will balance the requirement for UnitySP to be open and transparent against the requirements of the Data Protection Act 1998 and of Article 8 of the Human Rights Act and reach a judgement in each specific case.





### **Examples of situations where it might be necessary for an officer to declare an interest:**

There is a legal requirement for UnitySP to maintain a Register of Officers' Interests. In declaring any interests, you have, you are protecting yourself from any false accusation of bias or corruption.

In considering whether you have an interest, you should ask yourself whether a member of public, knowing the facts of the situation, could reasonably think that a relationship or interest you have, might conflict with the interests of UnitySP. The list below is not exhaustive, and it is also important to note that you may not always need to declare an interest. For example, the answer to one of the questions below may be "yes", but the relationship or connection does not impinge on the type of work you do, so you may not need to declare an interest. Conversely, there may be other circumstances not listed below where you do need to declare an interest. If in doubt, please speak to your line manager in the first instance.

Think about the following questions:

-  Are you related to a county or district councillor?
-  Are you a member of a parish, town or community council? Are you related to a member?
-  Are you a School/MAT Trustee or related to a School/MAT Trustee?
-  Are you a partner, company secretary or non-executive chairman of a company which does business with UnitySP?

-  Are you employed by a body which carries out work for UnitySP, or were you recently so employed, or are you related to someone who is so employed?
-  Do you do part-time or occasional work for a company which undertakes work for UnitySP, or which competes with UnitySP for work?
-  Are you undertaking any business ventures in your own time that could conflict with UnitySP's interests?
-  Are you related to or friends with anyone who tenders for work from UnitySP?

## 17. Redundant Equipment Policy

### Introduction

In accordance with section 2.85 of the Academies Financial Handbook, the Trustees are required to establish a policy for the disposal of assets which ensures the best possible value is obtained from the disposal.

### Surplus Equipment

The Trustees have the authority to declare equipment, furniture or other assets or stores, surplus to requirements and to make arrangements for their sale or write off, provided that the items concerned were purchased in whole or in part with a grant from the Secretary of State for Education.

A Disposal of Equipment form will be completed for all items which are to be disposed of and internal control will be exercised to ensure that the asset is no longer of use (i.e. it is obsolete) and that obsolete stocks are destroyed to ensure they are not illegitimately procured and then resold.

Where the estimated disposal value of surplus or redundant assets (equipment) is less than £500 or sale is to be by public auction or competitive tendering, disposal can be authorised by the Head Teacher or Director of Finance & HR.

The prior approval of the Trustees will be required if:

1. The estimated disposal value exceeds the limit as set out in appendix A;
2. The sale is to be to a Trustee or employee of UnitySP.

The prior written consent of the Secretary of State for Education is required in accordance with section 89 of the School Funding Agreement as follows;

1. Before the disposal of any asset for which a grant of over £20,000 was made, or land and buildings which had been transferred from the Local Authority at no cost to UnitySP.
2. Before the sale or disposal by other means, or reinvestment of proceeds from the disposal of an asset or group of assets, for which a capital grant in excess of £20,000 was paid.

As set out in section 93 of the School Funding Agreement UnitySP will provide 30 days written notice to the Secretary of State for Education of its intention to dispose of assets for a consideration less than the best price that can reasonably be obtained, whether or not such disposal requires the Secretary of State for Education's consent as detailed above.

If within any one-year (September – August) UnitySP disposes of items which collectively originally attracted a grant of more than £20,000 then the Secretary of State for Education will be informed in accordance with section 2.87 of the Academies Financial Handbook.

In accordance with section 2.88 of the Academies Financial Handbook UnitySP will reinvest the proceeds from all asset sales for which a capital grant was received and hence any income from the sale of assets will be maximised. Where the asset disposal requires the consent of the Secretary of State for Education then the plan for the reinvestment of the proceeds will be agreed at the same time. If the sale proceeds cannot be reinvested UnitySP will repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State for Education.

The proceeds from the sale of assets acquired with a grant from the Secretary of State for Education will not be used as UnitySP's contribution to future grant aided projects or purchases.

The net income (i.e. excluding VAT) from sales of surplus or redundant assets purchased from UnitySP budget will be credited back to UnitySP budget.

A list of any equipment disposed of will be presented to the Trustees at its next meeting. This list will show, so far as may be known, the item, department, date of manufacture or purchase, values when new and when made redundant (estimated where necessary) and disposal value.

UnitySP's inventory will be amended to show disposals and such entries will be endorsed by the Head Teacher or Director of Finance & HR.

## 18. Risk Management Policy

### Introduction

UnitySP's Risk Management Policy explains UnitySP's underlying approach to risk management. It gives key aspects of the risk management process and identifies the main reporting procedures. The policy is reviewed and amended, if appropriate, on an annual basis by the Trustees.

### Purpose



This Risk Management Policy (the policy) forms part of UnitySP's internal control and governance arrangements.






The policy explains UnitySP's underlying approach to risk management. It gives key aspects of the risk management process and identifies the main reporting procedures.

It describes the process the Trustees will use to evaluate the effectiveness of UnitySP's internal control procedures.

### Approach to Risk Management











The following key principles outline UnitySP's approach to risk management:

-  As the principal executive and policy-making body of UnitySP the Trustees are responsible for risk management.
-  The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible, in accordance with the Funding Agreement and the Academies Financial Handbook issued by the Department for Education.

-  There should be an open and receptive approach to resolving risk issues.
-  The Risk & Audit Committee advises the Trustees on risk management.
-  UnitySP makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks.
-  All members of the Trustees and UnitySP's Leadership & Management Team are responsible for encouraging and implementing good risk management practice within UnitySP and all of its Departments.
-  Early warning mechanisms will be put in place and monitored to alert UnitySP to any risk events or near misses so that suitable remedial action can be taken to manage such risk positions.



### **Role of the Trustees**

The Trustees have a significant role to play in the management of risk. Its role is to:




-  Set the tone and influence the culture of risk management within UnitySP. This includes:
  -  Determining whether UnitySP is 'risk taking' or 'risk averse' as a whole or on any relevant individual issue.
  -  Determining what types of risk are acceptable and which are not.
  -  Setting the standards and expectations of staff with respect to conduct and probity.
-  Determine the appropriate risk appetite or level of exposure for UnitySP.
-  Determine UnitySP's risk prioritisation protocol.
-  Approve major decisions affecting UnitySP's risk profile or exposure.
-  Monitor the management of fundamental risks.
-  To be satisfied that the less fundamental risks are being actively managed, with the appropriate level of controls in place and operating effectively.
-  Review annually UnitySP's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

### **Role of UnitySP's Leadership & Management Team**

Key roles of UnitySP's Leadership & Management Team are to:

-  Implement policies on risk management and internal control.
-  Identify and evaluate the fundamental risks faced by UnitySP for consideration by the Risk & Audit Committee.



-  Provide adequate information in a timely manner to the Trustees /Risk & Audit Committee on the status of risks and controls.
-  Assist the Trustees/Risk & Audit Committee to undertake an annual review of risk management and the effectiveness of the system of internal control.
-  Embedding risk management as part of the system of internal control.

### **System of Internal Control**

The system of internal control incorporates risk management. It encompasses several elements that together facilitate an effective and efficient operation, enabling UnitySP to respond to a variety of risks. These elements include:

#### **Policies and Procedures**

Attached to fundamental risks are a series of policies that underpin the internal control process. These policies are set by Trustees. Written procedures support the policies where appropriate.

#### **Business planning and Budgeting**

The business planning and budgeting process is used to set objectives, agree action plans, and allocate resources. Progress towards meeting business plan objectives is monitored regularly.

#### **Risk & Control Framework**

This framework is compiled by the Resources Committee and helps to identify, assess and monitor risks significant to UnitySP. The Risk Register is formally revised annually but emerging risks are added as required and improvement actions and risk indicators are monitored regularly.

#### **Internal Audit**

The Trustees have agreed to buy in the services of an internal audit service to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Trustees. A report of the findings from each visit will be sent to the CEO and the Chair of the Risk & Audit Committee who will present these to the Risk & Audit Committee.

#### **External Audit**

External audit informs the Risk & Audit Committee on the operation of the internal financial controls reviewed as part of the annual audit.

#### **Third party Reports**

From time to time, the use of external consultants may be appropriate in areas such as health and safety, and human resources. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system.

### **The Trustees Annual Review of Effectiveness**

The Trustees, advised by the Risk & Audit Committee, will undertake an Annual Review to consider:

-  Whether risk management continues to be linked to the achievement of UnitySP's objectives;

- ▲ The appropriate risk appetite or level of exposure for UnitySP as a whole;
- ▲ Whether risk review procedures cover fundamental strategic and reputational, operational, compliance, financial and other risks to achieving UnitySP's objectives;
- ▲ Whether risk assessment and risk-based internal control are embedded in ongoing operations and form part of its culture;
- ▲ Changes in the nature and extent of fundamental risks and UnitySP's ability to respond to changes in its internal and external environment since the last assessment;
- ▲ The scope and quality of management's on-going process of monitoring the system of internal control including such elements as the effectiveness of assurance functions;
- ▲ The extent and frequency of reports on internal control to the Trustees and whether this is sufficient for the Trustees to build up a cumulative assessment of the state of control and effectiveness of risk management;
- ▲ The incidence of any fundamental control failings (risk events) or weaknesses identified at any point within the year (near misses) and the impact that they have had or could have on financial results;
- ▲ The effectiveness of UnitySP's public reporting processes;
- ▲ The effectiveness of the overall approach and policy to risk management and whether changes or improvements to processes and procedures are necessary.

## 19. APPENDIX A

### Record of Financial Responsibility



















This document is an Appendix to UnitySP Finance Policies and Procedures document.

|                |                   |                      |  |
|----------------|-------------------|----------------------|--|
| Date Approved: |                   | Date of next review: |  |
| Signed:        | Chair of Trustees |                      |  |

### Arrangements for the approval of the Budget Plan:

|  |   |
|--|---|
| Delegated to:<br>This should be consistent with the Scheme of Delegation and Terms of Reference for Working Parties and Committees | Board of Trustees                                     |
| Date of meeting to approve indicative budget:  | Risk & Audit Committee                                |
| Date of indicative budget (GAG1) submitted by the ESFA:  | February  |
| Date of meeting to approve final budget:   | July  |
| Date final budget BFRO submitted to ESFA*  | As prescribed but no later than 31 <sup>st</sup> July |

### Financial reporting arrangements:

| Who To                 | Monthly  | Termly  | Annually  |
|------------------------|--|---|---|
| Board of Trustees      | <ul style="list-style-type: none"> <li> Management Accounts (incl. Budget monitoring reports)</li> <li> Commentary to the Accounts</li> <li> Cash Flow Forecasts</li> <li> Balance sheet</li> <li> Strategic Risk Register</li> </ul> | <ul style="list-style-type: none"> <li> Capital Expenditure Report</li> </ul>  | <ul style="list-style-type: none"> <li> Audited Financial Statements.</li> </ul> |
| Risk & Audit Committee | <ul style="list-style-type: none"> <li> Management Accounts (incl. Budget monitoring reports)</li> <li> Commentary to the Accounts</li> <li> Cash Flow Forecasts</li> </ul>   | <ul style="list-style-type: none"> <li> Capital Expenditure Report</li> <li> Risk Register</li> </ul> | <ul style="list-style-type: none"> <li> Audited Financial Statements.</li> </ul> |
| CEO                    | <ul style="list-style-type: none"> <li> Individual School Management Accounts</li> <li> Consolidated MAT Accounts and forecast to year end.</li> <li> Commentary to school accounts</li> <li> Cash Flow Forecasts</li> </ul>   |   |   |
| Budget Holder          |  | <ul style="list-style-type: none"> <li> Cost centre budget reports</li> <li>Spending and variance analysis</li> </ul>  |   |

**Bank Account details:**

|                               |   |
|-------------------------------|---|
| <b>Bank and Bank Address:</b> | Lloyds Bank Plc<br>High Street<br>Haverhill<br>Suffolk<br>CB0 8BA   |
| <b>Account Name:</b>          | Unity Schools Partnership   |
| <b>Sort Code:</b>             | 30-93-99  |
| <b>Account Number:</b>        | 23071660  |
| <b>Bank Signatories:</b>      | Mr Tim Coulson (CEO)<br>Mrs Sarah Garner (Director of Finance & HR)<br>Mrs Deborah Willson (Director of Operations)<br>Mrs Lisa Taylor (Trust PA) |

| Value          | Delegated Authority  | Additional Guidance  |
|----------------|--|--|
| Up to £10,000  | Two signatories in accordance with mandate   | Ensure bank mandate is agreed with Bank and copy held by Director of Finance & HR  |
| Above £10,000  | Two signatories with one being the CEO.  |  |
| BACS up to £4m | Two of either Senior Finance Officers, Head of Finance, Director of Finance & HR or CEO. | ONLY When all invoices, payments to suppliers and/or staff have been approved in line with the procedures set out in the Finance Policy. |

**Internal Delegation Arrangements**

Budget Holders are authorised to raise requisitions up to the individual transaction limit, subject to available funds within the cost centre. Transactions exceeding the individual transaction limit or available funds within the cost centre should be referred to the Head of Finance or Director of Finance & HR.

| Delegated Budget / Cost Centre                                  | Responsibility f-or Monitoring                                    | Individual Transaction Limit              |
|---|---|---|
| All Cost Centres, including individual schools and departments. | Head of Department;<br>Head Teacher<br>Department Lead / Director | Within budget – aligned to business plan. |

## Restricted Fixed Asset Fund

| Area of Responsibility            | Responsibility for Monitoring  | Individual Transaction Limit |
|-----------------------------------|--|------------------------------|
| Devolved Formula Capital (DFC)    | Head Teacher supported by Hub Finance Manager  | Allocated school funds       |
| Schools Condition Allowance (SCA) | Finance Manager<br>Director of Operations<br>Director of Finance & HR<br>Capital Programme Board | Annual MAT allowance         |
| Contribution from Revenue         | Head Teacher supported by Hub Finance Manager  | Allocated school funds       |

### Expenditure Limits/Ordering Procedures

**All expenditure limits apply to budgeted items and items approved by the Board.**

Where expenditure is unbudgeted, approval must be sought from the Board (for expenditure exceeding £50k).

Any contract being entered into should prior to signature be reviewed by the CEO or the Director of Finance & HR to ensure that there are no terms that are adverse or detrimental to the Trust. If a contract spans more than one year, the limits below apply to the total value over the life of the contract not the per annum cost.

### Procurement

As detailed in the Financial Policy, UnitySP are required to aggregate spend in categories such as IT, stationery, grounds maintenance, repairs, inspections etc and where this exceeds the EU thresholds the MAT are legally obligated to formally tender our requirements using the OJEU process or find a suitable compliant route to market such as a framework agreement. UnitySP already have compliant contracts in place for catering, utilities, repairs and statutory inspections etc and they must be used by schools to ensure compliance is maintained and the MAT is not exposed to risk of legal challenge and large fines.

| Process                | Aggregated Value | Delegated Authority             | Supporting documents   |
|------------------------|------------------|---------------------------------|--|
| Order / Spend Approval | Up to £2,500     | Budget holder / Department Head | 1 Quote  |
| Order / spend Approval | £2,501 - £5,000  | Hub Finance Manager             | Evidence of value for money, or framework agreement.<br>1 Quote  |
| Order / spend Approval | £5,001 - £10,000 | Head Teacher                    | Evidence of value for money, or framework agreement.<br>3 Quotes |

|  |   |  |   |
|--|---|--|---|
| Order/ spend approval                        | £10,001 - £15,000   | Head of Finance<br>Procurement Officer   | 3 written comparable quotations or framework agreement                                    |
| Order/ spend approval                        | £15,001 - £75,000   | Director of Finance & HR   | 3 written comparable quotations or framework agreement                                    |
| Order/ spend approval                        | £75,001 – £100,000  | CEO  | 3 written comparable quotations or framework agreement                                    |
| Order / spend Approval                       | Over £100,001   | Chair of Board   | 3 written comparable quotations or framework agreement                                    |
| OJEU Tendering Procedure                     | <i>Over £189,330 – Supplies/Services.<br/>Over £4,733,252 – Works</i> |  | <i>Rates as at January 2020</i>   |
| Authority to accept other than lowest quote  | Up to £50,000   | Procurement Officer;<br>Director of Finance & HR/CEO, but must be supported with justification documentation | Supporting documentation held by the Procurement Officer                                  |
| Authority to accept other than lowest tender | Over £50,000  | Trust Board/Risk & Audit Committee   | Tender process evidenced and documentation held for examination (see Tendering Procedure) |

#### Disposal of Surplus Stock, Stores & Assets

| Value         | Delegated Authority   | Additional Guidance  |
|---------------|---|--|
| Up to £2,000  | Head Teacher<br>Head of Finance   | Records/evidence held  |
| Up to £5,000  | Head Teacher<br>Head of IT<br>Head of Finance<br>Director of Finance & HR | Recorded on Inventory system/adjusted financial accounting system/Asset Register                     |
| Up to £10,000 | Director of Finance & HR<br>CEO   | Recorded on Inventory system/adjusted financial accounting system/Asset Register<br>Recorded minutes |

|              |  |  |
|--------------|--|--|
| Over £10,000 | Board of Trustees – referred by the Risk & Audit Committee | Recorded on Inventory system/adjusted financial accounting system/Asset Register<br><br>Recorded minutes |
|--------------|--|--|

### Write off of Bad Debts

| Value        | Delegated Authority  | Additional Guidance  |
|--------------|--|--|
| Up to £500   | Hub Finance Manager & Head Teacher                                     | Advise Director of Finance & HR – supporting documentation required    |
| Up to £1,000 | Chair of Governors supported by Hub Finance Manager                    | Advise Director of Finance & HR – supporting documentation required    |
| Up to £5,000 | Risk & Audit Committee   | Recorded minutes<br><br>Advise FD – including supporting documentation |
| Over £5,000  | Board of Trustees – referred by the Finance and Risk & Audit Committee | Recorded minutes Advise FD / CEO – including supporting documentation  |
| Over £45,000 | Secretary of State   | Seek guidance from Academies Financial Handbook                        |

### Authorisation and Approval of Returns & Reconciliations

| Return                  | Delegated Authority  | Time Frame  |
|-------------------------|--|---|
| VAT Return              | Head of Finance  | Monthly in accordance with HM Revenue & Customs timetable |
| Bank Reconciliation     | Complete by Central Finance, signed off and approved by Head of Finance (as part of the budget monitoring process) | Monthly   |
| Funding Reconciliation  | Complete by Hub Finance Managers, signed off by Head of Finance.   | Monthly   |
| Local Authority Returns | As per advice and guidance issued by LA.   | As per advice and guidance issued by LA.                  |

|   |   |   |
|---|---|---|
|   | Completed by Finance Compliance Officer, signed off by Head of Finance, Director of Finance & HR and CEO                      |   |
| ESFA Returns                            | Completed by Finance Compliance Officer, signed off by Head of Finance, Director of Finance & HR and CEO (Accounting Officer) | As per advice and guidance issued by EFA                    |
| Teachers' Pensions Monthly Contribution | Completed by Payroll Manager, signed off by Director of Finance & HR  | Monthly in accordance with Teachers' Pensions timetable     |
| PN11 / LG Pension                       | Completed by Payroll Manager, signed off by Director of Finance & HR  | Monthly in accordance with advice and guidance issued by LA |

#### Other Monetary Limits

|                                    | Limit  | Additional Guidance   |
|------------------------------------|--|---|
| Mileage Allowance for all expenses | HM Revenue & Customs approved rate<br><br>19/20 Rate = £0.45p per mile (over 10,000 miles = £0.25p per mile) | As per advice and guidance issued by HMRC   |
| Petty Cash/Card Imprest            | £nil (All Schools should be cashless from 01/01/2019)  | N/A   |
| Corporate Credit Card              | In accordance with Budget holder limits – to be agreed with the Director of Finance & HR                     | All credit card transactions managed centrally through Lead Finance and HR<br><br>(See also Appendix B) |
| Safe Cheque Limits                 | £10,000 Cheques per safe (per School)  | Detailed by Insurance Provider  |
| Inventory Register                 | £1,000 plus items that are portable and attractive (e.g. iPads, laptops etc.)                                | Any queries to Director of Finance & HR   |
| Asset Register                     | £1,000   | As stated in Financial Statements and to include Depreciation   |



|                       |               |   |
|-----------------------|---------------|---|
|                       |               | formula, or as prescribed by Funding criteria.  |
| Compensation Payments | Under £20,000 | To be approved by:<br>Head of HR<br>Director of Finance & HR, and<br>CEO                        |
| Compensation Payments | Up to £50,000 | To be approved by Remuneration Committee, as delegated by Trustees                              |
| Compensation Payments | Over £50,000  | Reported to the Secretary of State via the EAFA (guidance and reporting forms on ESFA website). |

## 20. APPENDIX B

### **Lloyds Corporate Credit Card Policy**

The credit card should only be used when no other method of payment is available. The Trustees and MAT staff will apply the principles of best value, as per the approved Best Value policy when making decisions about any purchases, including those that require the use of the school payment card.

The card should under no circumstances be used for personal purchases. Misuse of the card may result in withdrawal of the card and disciplinary action, including dismissal.

The cardholder will be given two copies of the school's written policy. The cardholder must sign and date a copy of the school's written policy. This copy will be kept securely in the Finance Office safe.

All existing financial procedures must be adhered to. Orders must be raised and authorised in the usual way.

All documentation must be kept with regard to the card transactions and reconciled with the monthly payment card bill at the end of each month by the card holder. The total amount on the purchasing card statement should be input onto the PSF system within 5 days of receipt. All documentation must be handed to the Central Finance Team immediately. If the cardholder takes annual leave at the end of a month, all paperwork should be handed to the Central Finance Team before commencing leave.

#### **Lost or Stolen Card**

The card holder is responsible for the security of the Lloyds Payment Card and the transactions made with the card. If the card is lost or stolen, these steps should be taken immediately: Call Lloyds Bank 0800 0964496. The bank will block the use of the card and order a replacement card with a new account number. Notify the Director of Finance & HR.

#### **Cancellation of Card**

When an employee is no longer required to hold a card, a cancellation of Employee Undertaking Form must be completed. This should be done in advance and as soon as a cancellation date is known. The form must be signed by both the cardholder and the Director of Finance & HR. It should be returned to the Director of Finance & HR, who will then be able to give advance notification to Lloyds of the date of cancellation.

#### **Damaged Card**

If the card becomes damaged, a replacement card can be requested by contacting the Director of Finance & HR. You should follow the procedures as per card cancellation. Once your existing card has been cancelled, the Director of Finance & HR will receive a replacement card and arrange to forward it to you.

#### **Limits**

Each cardholder will be assigned an individual maximum credit limit as agreed by the Director of Finance & HR. These individual and monthly limits have been agreed by the Trustees' Risk & Audit Committee for each cardholder. Cardholders must not attempt to exceed these values by splitting the order and must only spend within existing budgets.



### **Reconciling Statements**

Reconciliation of the payment card transactions will not be carried out by any of the agreed cardholders. A member of the central Finance team, who is not a cardholder, will be responsible for reconciling the payment card transactions and statements. The Director of Finance & HR will be responsible for keeping all financial documentation relating to the purchasing card. This should be retained for 6 years plus current financial year.